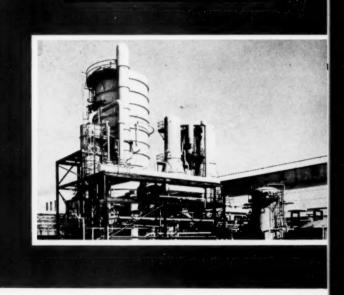
MARCH, 1958

## Manage



- EVERY EMPLOYEE & PUBLIC RELATIONS
- SOVIET EDUCATION---HOW GOOD?
- WASHINGTON SHOOTS THE MOON
- SUPERVISORS & NEED-SATISFACTION



... from the executive vice-president

Report to the Membership

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MARION N. KERSHNER

In conducting an NMA business, in making plans for the future, a great amount of information is needed about members' work and their education. One of the best ways we have of getting this information is through research surveys such as the NMA Membership Analysis just published and released to the public. To get the information in this survey 1700 NMA members were asked to complete a questionnaire about their jobs, age, education and training.

In compiling the results of the survey it was found that about 48% of the NMA membership is made up of foremen or first-level supervisors. About 59% are in production supervision of all levels, while the remainder are split among staff, technical and professional and top executive positions.

It is interesting to note that the average NMA member is  $41\frac{1}{2}$  years old and has been in industry for 19 years, nine years of which have been served in a management position. As for education, 85% of all members are high school graduates and 30% of all members are college graduates. Over half of our members (51%) has had some college training with technical and professional people leading the way.

Great interest was shown in company training programs; fifty-five per cent indicated they have participated in a company training program within the

(Continued on inside back cover)

### MANAGE



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### IN THIS ISSUE

March, 1958

Vol. 10, No. 6

Companies spend hundreds of thousands on public relations, but they do not always realize how much of this is wasted

if certain employee communications are ignored; Alfred M. Cooper tells about the influence of every employee on PR on page 8. . . Recently there has been much interest in Soviet education—and for obvious reasons; for a comprehensive run-down on just how good the Soviet educational system is, read "Schooling the Soviet Scientist" written by an expert on Soviet affairs (page 40) . . . Gen. Hermon F. Safford, National Management Man of 1957, describes a thorough supervision training program (page 36) . . . Alcohol costs American industry millions of dollars; for a report on what some progressive companies are doing about it, read "The Problem Drinker". . . Young company presidents is the subject of a controversial FORTUNE article to be reprinted in two installments beginning with this issue (page 21) . . . On the cover: ammonium sulfate crystallizer, Allied Chemical and Dye Corp.

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CIRCULATION THIS ISSUE: OVER 75,000, DOMESTIC AND FOREIGN.

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### Washington Report . . . .

### ....for supervisors

by Stewart French

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Space—all kinds of space—is a major issue in Washington these days. There's the problem of Outer Space, to which we must get, and deal with, even though we don't know where it starts, or ends (if it does end), or what is up there. Congress has a bill before it to get us there anyway.

Then there's the politically charged question of the air space over our America and how it's used. The House subcommittee on Legislative Oversight has a potentially red-hot investigation cooking on the way the Federal Communications Commission, for example, has allocated wave-lengths and frequencies in our air to radio and TV stations. A right to use a certain part of space in the way of readily received wave-lengths is worth millions upon millions of dolars to the big broadcasting companies, and allocations are made by appointed officials whose pay is peanuts compared with the value of a single coast-to-coast program.

So, too, with the use of the air space for airline routes. Last year a "leak" from the Civil Aeronautics Board (CAB)—which grants the Certificates of "Convenience and Necessity" without which an airline cannot operate—held that Northeast Airlines was to be allowed to participate in the plush Florida run, and made a lot of money for some people and a lot of headaches for others. An "antileak" bill also is before Congress, and CAB and its administrative arm, Civil Aeronautics Administra-

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tion (CAA) will come under the scrutiny of the Legislative Oversight Subcommittee of the House.

Then, to come down to earth, there's the question of what space we can claim in Antarctica, against the rival claims of a good many other nations. It doesn't sound important now, but it could be very much so for weather control and forecasting, and also for minerals. Besides, if Russia were sitting on top of the pole down under, it would have a bad effect on the nations of the Southern Hemisphere. There's legislation pending to forward our position in the Antarctic, too.

A more immediate space matter that's been presented to Congress is that of parking space. In a vigorous speech on the Floor of the Senate, Senator Prescott Bush, Connecticut Republican, Yale man and Wall Street banker, assailed car manufacturers for building "gargantuan monsters that have created serious problems." These problems, the Senator told Congress, are:

"First, they (the oversize autos) are too big, too fast, too powerful, are rapidly making obsolete our highways, and are endangering human life and limb.

"Second, they are enormously wasteful of raw materials, such as iron ore, nickel, and petroleum, which we should be conserving in the interest of national security.

"Third, they are rapidly becoming too expensive for the average American to buy and maintain, and the day may be at hand when they have priced themselves out of the market.

"Fourth, unless American manufacturers meet the public demand for smaller, cheaper cars, European imports will take over a steadily increasing share of the domestic market, with serious effects upon employment in American automobile plants and in the hundreds of small businesses throughout the country which are their suppliers of parts and equipment.

"Fifth, one of the unhappy consequences may be a march on Washington by the American manufacturers, reversing their traditional po-

sition for 'freer trade,' and demanding high tariff barriers. This would be the most frustrating blow which could be inflicted upon our European allies in the field of international trade."

Philosophically and even legally, space is hard to define, except in terms of time. (Did you ever try it?) And Congress is finding it tough to do anything about it.

### MAN ON THE MOON WOULD BE TOPS

Of all the space problems in Washington, the most far-reaching, literally and figuratively, is that of outer space. This dim distant place, if one may use the term, was brought down to earth for all of us by the sputniks and their live (for a time)

passenger.

No one in Washington any longer regards these made-in-Russia objects as toys or the launching of them as a basket-ball game. It would only take a very little development for them to be carrying television cameras that could give the Communists information we don't want them to have. If a nation were to land a rocket, even an unmanned one, on the side of the moon we can see from earth, and then were to send one around the other or "dark" side and photograph it, that nation would have a first claim, under international law, to sovereignty over the moon. That is, its claim would be better than anyone else's, and would be good as against all the world until someone established a better one.

Granted that in the immediately foreseeable development of space travel, a nation claiming the moon, even by landing a manned space ship on it, probably couldn't keep other nations off. Yet any nation that tried to establish a base there after the Russians had, say, first "staked out" their claim by either landing or photographing, or both, would be an aggressor in international law.

No one can doubt that a base on the moon could give the nation that had it a pretty clear idea of what was going on in the world, and would provide

it with the greatest of all missile launching bases.

The possible results flowing from any one nation's controlling the moon, or getting a toe-hold

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could a of ide pases. nanold on its own in outer space, has impelled many thoughtful persons, in government and out of it, to drive for true international cooperation in outer space. As a first step, the Joint Committee on Atomic Energy is considering proposed legislation calling for an appropriation of \$50 million—

"to achieve the development and control of outer space . . . by the United States and all friendly nations working cooperatively to promote scientific progress and the security and welfare of all nations and peoples of the earth."

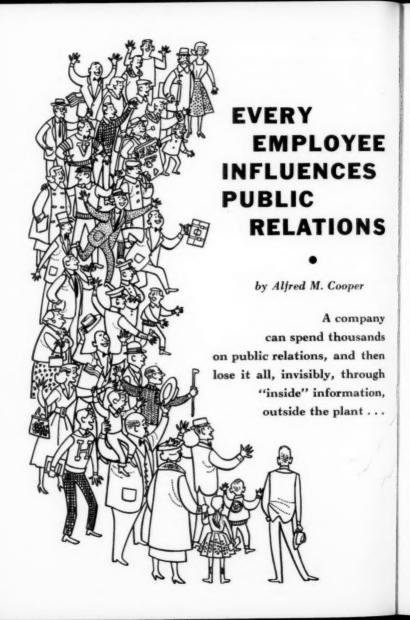
The measure would attain this announced purpose by the peaceful application of atomic energy. Senator Clinton P. Anderson, New Mexico Democrat who has been alternating as Chairman of the Atomic Energy committee, spoke glowingly of our atomic-powered submarines and asserted the belief that atomic energy would prove to be the best fuel for space travel.

### HOW HIGH IS THE SKY?

Senator Anderson's bill does not attempt to define its subject, outer space. One reason is that outer space has no accepted definition. Where does it start? Philosophically, it would have no end, although Einstein, wearing his mathematician's hood rather than his philosopher's wreath, theorized that it must.

An answer was offered, tentatively, by Dr. Andrew Haley, President of the International Astronautical Federation and general counsel of the American Rocket Society, at a meeting of the Federal Bar Association here in Washington. His recommendation was that outer space start at the upper limit of "air space," the area above a nation's soil, which by international law is regarded as part of the territory of the individual nation over which it is, and subject to that nation's sovereignty.

While the limits of air space have never been legally defined, they could be said to end at the point where it is physically impossible for a nation to exercise its police power. This would be the point at which a craft that requires support from the air could not be flown even theoretically.



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E very shop, office, and field employee of an industrial corporation strongly and often unwittingly influences the attitude of the public toward that company and its products.

Public utility corporations, banks, and department stores for years have appreciated the effect on their business, for good or evil, of local public opinion. More recently it is becoming apparent that the employees of a factory, in addition to the sales and public contact clerical people, may strongly influence public attitude toward that concern.

The importance of salesmen, receptionists, window employees, and telephone operators as builders of goodwill has long been recognized. It is customary to train these people carefully in methods of meeting the public. Public attitude surveys prove that employee performance ranks second among the factors influencing public attitude.

It may call for something approaching a crisis in the affairs of a corporation to point up the tremendous aggregate effect on the concern's public relations of the day-by-day mingling of all employees of a plant with their friends and neighbors.

An instance of the awful power of unfavorable employee publicity: A company spends tens of thousands of dollars in an honest effort to convince the citizens of a community that it not only manufactures a su-

perior product, but that its plant is "a good place to work."

But suppose any important segment of the thousands of employees of that plant should happen at the same time to be telling their friends that they are working in a madhouse. Day after day, and particularly night after night, this thoughtless, unfavorable exaggeration is disseminated. Will the public believe the favorable publicity of the company, or will they attach more weight to the apparent "lowdown," coming straight from the mouth of a man who works there?

Some years ago I was afforded an unusual opportunity to observe at close range, and to evaluate by a neverfailing yardstick, the power that is generated by the casual public contacts of employees who never meet the public at all during working hours.

At the time I was consultant to a large public utility organization, training their shop and field employees in accident prevention, their office employees in effective methods of meeting the public, and also conducting advanced sales training.

About then this utility began to engage in a life-or-death ownership struggle to determine whether or not it or its competitor would go out of business.

In this instance, the voters of the community would determine the issue in the course of a series of special city-wide elections. There were five

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in all, and in each the utility had measures on the ballot the passage of which were vital to its continued existence.

Heretofore the utility had won about as many of these local elections as it had lost. In this series, however, they could afford to lose none. In studying employee reaction toward the approaching first election I found these people frankly uninterested.

In an effort to remedy this and enlist the support of the utility's own employees, I prepared text material outlining the utility's position in the controversy, as fairly and impartially as possible. Then two rounds of meetings were scheduled, in which every employee was afforded an opportunity to become familiar with these facts.

At the close of the first of these meetings the employees were requested to pass on the information they had received to their "friends and neighbors" (there is a distinction here) giving these citizens the utility's side of the story. Afterward, each was to report back on the number of contacts thus made.

The employees reported an average of eight favorable contacts apiece, and this solid core of 85,000 favorable votes is sufficient to swing any special election, even in this large city. Management gave its crusading employees major credit for winning five elections within less than two years, after which its competitor was absorbed. These empetitor the solution of the state of th

ployees not only failed to disseminate harmful, false information but they took positive, concerted action to get the truth before the public.

An instance such as this may be extreme, and it is not so likely that the employees of the average manufacturing plant ever will be asked to electioneer in behalf of the company. Nevertheless it was interesting as an example, allowing close evaluation, of what can be accomplished when thousands of workers are telling an identical story about the company to their friends and neighbors. The election results afforded a fairly accurate yardstick with which to measure the success of the training program. There is a tremendous latent force here, and when the need arises it may be utilized in any plant.

Until some organized effort is made to direct the employee's after-hours contacting, it is surprising how the most enlightened company policy may become twisted in the telling into something unpleasantly detrimental to the interests of employees and townspeople alike. One thousand or 50,000 uninformed workers, talking loosely, can inadvertently do an unbelievable amount of damage.

And it is not always the workers who say the wrong thing. In one very large plant, a beautifully equipped, complete new hospital unit was installed. Properly publicized, this facility should have been a real feather in management's cap. But

at a big downtown dinner an executive of this company told the assembled crowd, "We've got a fine new hospital out at our plant, staffed with two excellent doctors and several nurses. With this splendid facility we now have no trouble handling 500 accident cases a day." Next day this information was featured in every newspaper in the city.

Naturally, such pronouncement by an executive of a corporation is going to do some damage to a plant endeavoring to maintain its reputation as a "good place to work." And the corrections and explanations later published probably went largely unread.

That plant employed 45,000 people. The public utterance of the executive was dramatic and damaging. But what those thousands of employees were telling their friends about this and a hundred other matters, nobody knew. As one of these employees, I would say that most of the information thus passed out was at least as misleading as the hospital publicity, and some of it much more so.

For one thing, the workers there knew almost nothing of the problems management was facing. They were never encouraged to know. But when asked questions about their own plant they disliked to own ignorance, so they could be depended on to say something, however inaccurate, and no matter how bad it made the company look. And this, of course,

was the version the public was likely to credit, coming as it did from one who worked there.

Insuring that employees will present to their friends uniform and truthful reports regarding conditions in their plant is essentially a training job. Just issuing printed or mimeographed brochures to these people will not do the trick, for the reason that you have no way of knowing whether any employee can or will absorb the information thus presented to him. Neither can you be sure that he will be disposed to pass on this information to others outside of working hours. Until the employee has been encouraged to do a little thinking about the matter he may feel no responsibility whatever for improving his company's public relations.

THUS THERE ARE TWO phases to L any such program of public relations training. First the employees must be informed, not with a lot of minor detail relating to organization or administration, but specifically concerning those vitally important policies of management which can most favorably affect public attitude. These matters may classify as recent innovations (such as an improved profit-sharing plan) or they may be excellent but little-known policies of long standing that should be accorded the widest possible word-of-mouth publicity.

Second, the employees must be taught how best to pass out this

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information whenever opportunity affords—perhaps when someone asks questions, or in the course of a friendly discussion with visitors in the home. Under these circumstances the citizen-recipient is least likely to be resistant to new and favorable ideas.

The first requisite of the information passed on to the employees for dissemination must be that it is 100% accurate. If, even through error, an effort should be made to persuade the employees to pass out misleading information, the entire program would at once lose all meaning to these people. But there is never any occasion for this to happen deliberately, and the administrator of the informational program must see to it that it does not happen inadvertently.

Lecturing to employees in large groups has the same drawback as issuing brochures. There is no effective way, either to be sure the employees have absorbed the information properly, or to be certain they are minded to do a good job in passing it out to the public. Written or oral exams would be altogether out of place here.

If the job is to be done right the employee must attend a conference with his fellows where this information can be thoroughly discussed. After that, each worker should be furnished with the printed matter for reference.

In practice, it is found that such company-wide meetings usually need be held but once or twice yearly—that is, whenever there arises a vital need that certain information be accurately presented by the employees to the citizens of the community.

There is nothing like a good hor discussion to fix pertinent facts in the mind of the employee. And should motivation to cooperate be called for, discussion in a small conference group permits the leader to persuade those present that they have a responsibility in the matter of helping improve their company's public relations. The truth is, this latter objective is the more important one, since the issuance of any amount of informative material to the employee has little value unless the worker is minded to disseminate it.

Hiring a corps of instructors to conduct these meetings is expensive and unnecessary. A better job is done if each meeting is conducted by the immediate supervisor of the employees in attendance.

Whereas it might be difficult to develop all foremen as accomplished public speakers, it has been found easy to teach any supervisor how to lead a successful conference.

Thus, in the aforementioned public utility organization, I utilized the services of 150 supervisors as conference leaders to get over the necessary information and motivation to 10,000 employees. Each supervisor

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led two or three meetings with attendance limited to 20 to 30 to a group. Each employee attended two meetings, but under any circumstances other than the exigency of a holty contested election campaign, one would have been enough. Even so, each round of meetings was completed within four days without interfering with work schedules.

Most plants now conduct some sort of formal training in accident prevention. Many corporations also train their salesmen and office public-contact employees in effective methods of meeting the public. Where these types of training are already carried out by conference method a hard core of experienced conference leaders already is available for

the bigger job.

Otherwise, it is possible to train supervisors as conference leaders even while they are leading their first conferences. The point is that instruction of subordinates is a natural function of any supervisor, and it is to this immediate supervisor that employees are accustomed to look for new information. A supervisor is constantly teaching, and a good one likes to teach.

Employees will usually accept the word of their supervisor that the information he is passing on to them is accurate and complete. And no one else is in as good a position as the supervisor to see to it that the individual employee is properly disseminating this information.

From the above it will be evident that it is only necessary to sell the supervisors on the practicability of the program, after which they will understand how best to secure the cooperation of their own people.

At no time is it permissible to employ coercion in persuading the workers thus to cooperate with management. Such tactics are never necessary, and certainly would fail of their objective if essayed. If employees are not minded to cooperate with their own management, something serious is wrong with the labor relations in that plant. In practice,

the functioning of this program serves directly to improve management-employee relationships. The employee who has gone to bat for his company thereafter feels more

a part of the organization employing him.

Right at its inception any such program as this is always met with a certain amount of skepticism by the employees. This is a natural attitude, and these people must be convinced that this thing is strictly on the upand-up. Thereafter they learn that management is going to some trouble to inform them of what is going on at the policy-making level. (They like this.) And finally, they must experience for themselves the satisfaction of being able to answer truthfully and authoritatively any questions put to them by acquaintances people who do not work for the company.

Thus it is that the first effort in this direction may win only limited cooperation, while each succeeding time the method is utilized the results become more gratifying. After two trials, management will realize that, used sparingly, this program constitutes one of the most powerful instruments of executive control ever devised.

As to specific topics to be discussed in the employee conferences management must determine when and what information justifies this extraordinary sharpshooting method of getting facts over to the public. Anyone who has closely studied the public relations of a company or industry will have no difficulty calling to mind many instances in which such unusual methods of publicizing matters of policy would be wholly justified. In general, I know of no subject that should be taboo, other than matters intended to influence employees with regard to union affiliation.

The mechanics of this informational training program are simple. When management decides that certain information should reach the public through its employees, without possibility of being garbled, and in a form that will insure its acceptance by the public, the educational director or public relations director proceeds somewhat as follows:

ONE—The supervisors who are to lead the discussion meetings are called together and the administrator of the program explains the purpose of the employee meetings.

TWO-With these supervisors he then leads the identical conference each supervisor is to lead with his own people later in the week. At the close of this conference the supervisors discuss the material and the methods of presentation. Each is then furnished with a detailed conference plan for future reference, together with a schedule of meetings and the mimeographed material that is to be issued at the employee meet-(This latter material, in sufficient quantity for presentation to some thousands of employees, is a fair-sized mimeographing and collating job and should be scheduled accordingly.)

THREE—The round of employee meetings is held, with attendance limited to 30 and with a 1½-hour period. In each meeting the information is discussed and the supervisor satisfies himself that it is thoroughly understood by everyone present. This, of course, does not necessitate any sort of examination; the discussions will clarify any misunderstandings regarding subject matter.

At the close of each conference the employees are requested by their supervisor to pass on this information to any citizen who may be interested, this contacting to continue for a specific period—say two weeks.

FOUR—In exceptional instances a second round of conferences on this

subject may be scheduled, at which time the employees discuss their experiences in overcoming citizen skepticism or confusion, resulting perhaps from adverse publicity emanating from a source inimical to the interests of the company. In such extreme cases, where genuine conflict exists, the second meeting also affords an opportunity to add further material to the informational program. This may take the form of adequate rebuttal arguments to overcome any last-minute arguments put forth by the opposition.

Within the affairs of a given cor-

poration there may never arise a situation calling for utilization of such stringent measures as those outlined. In such instances it might be unwise to call on the employees for concerted, intelligent cooperative effort of this type.

In the years ahead, however, occasions may develop within any plant or industry, and on short notice, when employee understanding and cooperation may be vitally important. At such time it is well to be prepared to put a plantwide informative program of this type into effect without loss of time.



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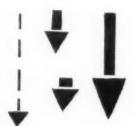
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by Dr. R. J. AGNEW
School of Business Administration
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THE ESSENTIAL QUESTION to which any supervisor or manager, concerned with directing the work of people, must address himself is: Why do people work? Unless we know why it is that people work we cannot really attack the problem of how to get them to work better, work harder, or work more "willingly."

People work for the same reasons they do anything else. People work or loaf, invest their money as stockholders or sell their stock, buy brand A instead of brand B . . . for essentially the same reasons. People behave in a particular way because, as they see it, doing this instead of that will best satisfy their needs.

So—people work in order to satisfy needs. They work hard, or not so hard; they work "willingly" or "unwillingly"; they cooperate or obstruct because, as they see it, they can in that way satisfy their needs.

What are these needs that we have been talking about? A psychologist might say that a need is a tension state. Something is stretched or pulled—is under tension—when we have a need. Satisfy that need, and the tension dies down; we feel better. A comedian who was quite

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popular a number of years ago, Colonel Stoopnagel, of Stoopnagel and Budd, once gave a definition of salt which might be appropriate here. He said that salt is something that makes potatoes taste bad if you don't put it on them. We could say that needs are something that make us feel bad if they are not satisfied.

Some of our needs are consciouswe know that we have this need or that need. An hour or so ago, before lunch, you knew that you were hungry; some of you right now, after lunch, know that you are sleepy. You need sleep or stimulation—just as a few hours ago you needed food and you will need food again in a few hours. The fact that you satisfied the need for food a few hours ago does not mean that the need has been satisfied for all time. But you knew that you were hungry-some of our needs are conscious, we know about them and when we have them.

But, some of our needs are unconscious; we don't know about them. We may know that something is wrong, that we don't feel quite right, something is bothering us. Or we may not be aware of it at all. People who know us, who work with us, may be aware that we are acting differently or that we are acting in a way that they don't like or in a way we shouldn't act. We don't know why and they don't know why. It may be that some tension state, some need, we have is not being satisfied. Some unconscious need we have is making us act as we dois motivating us without our knowing it.

Let me use myself as an example of this kind of unconscious motivation. I have a very high degree of finger dexterity, I should do more work with my hands. The job of a professor doesn't give one much chance to work with and use this finger dexterity. Now and then, without my knowing it, this bothers me. I begin to snap at people and get very short tempered. I have finally learned that, very often, it is these fingers that are bothering me. My temper improves greatly if I sit down at a typewriter, for instance, and type for half an hour or so. This satisfies this need, this tension state, of which I have not been aware. Some of our needs, then, are unconscious. They can be making us behave and act in a certain way without our knowing it.

We have already looked at some of the needs that people have: need for food, need for sleep. Some of our needs are physical needs. Some of our needs are of and in the body—food, shelter, sleep, elimination of bodily wastes, etc. But, some of our most important needs are in the mind, are psychological in nature.

What are some of these psychological needs, these needs that are in our minds? We could go around this room and ask each of you to make ur a list of needs, or ask each one of you to indicate one need which you felt was very important to people. We would get a pretty

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good and complete list of needs in that way and it would be as good a list as a list that a psychologist might make up or that I might make up.

This, however, would take a bit of time. It might be faster if we were to look at a list of needs. It isn't any better than your list and many of the things you would put on any such list are on my list. Some of them may be called by other names on your list, but I think that, in general, we can agree that these things-perhaps with some others-are important to people. These things may be tension states which have to be relieved, needs which have to be satisfied. People behave and act so as to satisfy needs, so as to relieve these tensions. In short, people do what they do, in part, to satisfy these needs. Need satisfaction, then, is what motivates people. Some of these needs are:

Support; acquire; belong; know; achieve; dominate; respect; recognize; avoid harm; reject others; escape and/or avoid blame; freedom; recreation. There may be more.

We give people—for working, for taking part in the productive process—a variety of rewards, of need satisfactions. We give them, for the most part, wages. With these wages they may satisfy a wide range of needs—food, shelter and the like. Many, many needs that people have may be satisfied—directly, as physical needs, or indirectly, through gaining status and recognition in the eyes of their neighbors, as psychological needs—many, many of the needs

that people have may be satisfied through the wages, and the salaries that they earn on the job.

However, one thing is characteristic of all of this need satisfaction. These rewards can be cashed in, these needs satisfied, only outside the job situation. We can take the same view of all the other rewards-retirement plans, sick benefit plans, paid vacations, hospital plans, employee discount plans, and many, many more of the fringe benefitsthe rewards in addition to the wage rewards and the rewards which can be purchased by wages, the needs which can be satisfied by wages, they can be cashed in, can be satisfied only outside the job situation. If, then, the only rewards, the only need satisfaction, which we get is outside the job, it becomes almost inevitable that the job comes to be regarded as a kind of penalty period that we have to go through in order to enjoy those rewards. The job may be regarded as a kind of penalty period one has to go through in order to get need satisfaction. This view or attitude may be unconscious. The individual may not know that this is the way he regards the job. But, if this attitude is there at all, even unconsciously, it is easy to see why the individual will not always give his full cooperation and effort to the job.

It would seem, then, that one of the things that we have to do is to move more rewards *into* the job situation. To make possible the satisfaction of more needs *on the job*, sfied aries

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so that the job won't be a kind of penalty which must be undergone to get need satisfaction.

Let's take another look at those needs that people have and see if more of them can't be satisfied on the job. Let's see if there isn't more that the supervisor can do toward making it possible for his people to satisfy more of their needs on the job.

These are things that the supervisor can do. They do not require an action on the part of the company, a new department of need satisfaction, or 10 more pages in the handbook. These things require only an action

on the part of the supervisor. This, like charity, may begin at home. It requires only that we recognize that people behave and act as they do only in order to satisfy needs, that these needs are important, and that the individual supervisor can do much, indirectly and directly, to satisty these needs that make people act and behave as they do, that make people work or loaf, work "willingly" or "unwillingly," cooperate or obstruct. This kind of motivation is under the control of the supervisor. You can motivate, can make it possible for people to satisfy certain and many of their needs on the job.

From an NMA National Conference seminar.

### TEAM MANAGEMENT . . .

I NDIVIDUAL, MAN-TO-MAN management is rapidly becoming obsolete as an effective means of administering large organizations, according to Prof. Rensis Likert, director of the University of Michigan's Institute for Social Research.

The traditional form of management—typified by pyramiding lines on an organization chart—tends to block effective communication within an organization, Mr. Likert explains. It fosters empire-building and distrust among leaders of various departments and also may result in decisions being made on the basis of special interests, rather than for the welfare of the entire organization.

While many presidents have realized the value of fostering teamwork at the top of the organization, they have failed to extend the same principle to all levels of their organization, Mr. Likert adds.

They actually prevent lower levels of management from applying the teamwork principle, by their use of the standard operating procedure which the company insists be followed for all such day-to-day operations as selection, training, supervision, communication, compensation and performance review.

These procedures, which companies specify for middle management and

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lower levels of supervision, are all based on the traditional concepts of individual, man-to-man management.

In the traditional organization, Mr. Likert continues, individual advancement often depends on the ability to exercise wide responsibility in persons and to get jobs defined in a way that makes their performance easy.

"Each manager, in short, tends to encroach on the other's territory," Professor Likert says, "each tries to get decisions from his superior setting goals that are easily attained, thereby enabling him to achieve excellent performance.

"One consequence of this struggle for power is that each department or operation has to be staffed for peak loads; no one dares let anybody else take over any part of his activity temporarily for fear that his area of responsibility will be permanently reduced.

"Interestingly, the tighter the control—in the sense that decisions are made at the top and orders flown down—the greater tends to be the hostility between subordinates in an organization."

. . .

Team management, in contrast, encourages decision-making in groups, where all the major interests of a company may be represented. Mr. Likert believes this process encourages participants to communicate ideas and information more fully and accurately.

"The group can get ideas across to the boss that no one subordinate dares tell him alone," he explains. "This reduces 'yessing' the boss and feeding him filtered information.

"Another important advantage of effective team action is that there is a high motivation on the part of each member of the group to carry out decisions made by the group and achieve the goals which he himself helped to make.

"Operating experience also indicates that companies organized in this way can be staffed for less than peak load. When one man is overburdened, some of the others around him can pick up the load. The struggle for power and status is less; everyone knows that his chances for promotion depend not upon the width of his responsibility but upon his total performance."

# the entrepreneurial

(First of two parts)

### by Spencer Klaw

In the AGE of the professional manager, what does it take to be an entrepreneur? Habitually, Americans praise the man who starts and runs his own business, the man who "works for himself." He is admired for his daring, his initiative, his rugged individualism. Yet many who praise him wonder if his virtues have not become just a little anachronistic: fine once, but somewhat out of joint with the temper of the times. Question: To survive, doesn't he have to become more like the professional manager? Or does he flourish by remaining different?

A group of men who ponder this question a great deal are the thousand-odd members of the Young Presidents' Organization; indeed, their organization exists largely so they can talk about such questions. For they are primarily entrepreneurs, and if you ask them, a damn lucky

thing too. Theoretically, big corporation men could infiltrate the organization, but they'd have to become presidents before forty to do it, and since very few do, the Y.P.O. membership is pretty much made up of owner-managers of small and medium-sized companies (average company: 247 employees; \$3,700,000 sales). In character, as well as in the size of their companies, the young presidents do feel different-sometimes even isolated—and this is why they so enjoy comparing notes with each other at their periodic conventions. Here, they say, are people who talk our language.

Most young presidents say that personally they are quite unfitted for the role of the salaried manager in a big corporation—except, perhaps, for the role of the president himself. Bureaucracy they scorn, and when they use the word they are much more likely to be referring to the likes of U.S. Steel or General Motors than the federal government. "When

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I give talks to college students," says one young president, "I say, 'Do you want to become a civil-service mentality? O.K., then go to work for General Motors'." With obvious satisfaction, many young presidents claim they would almost surely flunk the personality tests the corporations use to spot the well-rounded man.

They probably would. In some respects, to be sure, the young president has much more in common with the big corporation man than he likes to admit. Both are likely to be ambitious and decisive men with a natural gift for leadership; both work hard and are absorbed by their jobs. On one key point, however, they are not alike. To put it simply, the entrepreneur is an egoist. The big corporation man has an ego too-and it is often a husky one. With the exception of a few notable bosses of the old school, however, the big-corporation executive has to keep his ego under wraps; he has to have one to get ahead, but it can't show too much, and he is schooled to sublimate it to the interests of the team.

The young president has no such inhibitions. Quite openly, he sees himself as the protagonist of an exciting drama—one in which he has triumphed over powerful economic forces bent on crushing him, or buying him off by tenders of comfortable security. Other people, he feels, may act out the hero in Walter Mitty daydreams, but he has played the hero in real life. His company he sees

as a tangible projection of himself; he glories in the triumph, and having triumphed as an individual, not as a member of the team, he seldom wears the mask of modesty that is standard for the corporation man. He is, in short, an unabashed egoist.

Therein lies his strength—and therein lies his problem. The unrepressed ego is fine for getting a business under way—but what happens when you need to build a management team and recruit promising subordinates? How do you find alter egos? Young presidents don't have so much fun talking about this question as some others, but they have to think a lot about it.

### THE BUILDERS

Not all young presidents can be classified as entrepreneurs in the strict sense-that is, men who personally assume the risk and management of a business. The only ground rules are that the man must have become president before forty, have fifty or more employees, have gross sales of \$1 million (\$2 million, if the business is non-industrial). Some young presidents are precocious young professional managers who have worked their way to the top of middle-sized companies, and a very few head subsidiaries of large corporations. And of the genuine entrepreneurs, a few are wheeler-dealers, buyers and sellers of companies, who are interested primarily in capital gains rather than the operation of a business. The

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than The majority, however, are not traders of companies but builders of companies, and they feel a strong personal attachment to them; 85 per cent of all Y.P.O. members either have a very substantial stake in their companies or own them outright.

What got them started? Because of their circumstances and background, some young presidents felt they had little choice except to strike out on their own. Most grew up in the depression, and many had no chance to acquire the education that already seemed a prerequisite for a successful managerial career in a large corporation. Some are Jews (roughly 28 per cent of the membership), and many of them felt that for them the prospect of rising rapidly in a big company was a rather dim one.

Not all the young presidents, however, are self-made men, a fact they like to illustrate with a standard joke. "When I got out of the Army," it usually runs, "I went to work for a small company. After a couple of years, the president called me in and said, 'I've got news for you; I've decided to make you the new president.' I said, 'Gee, thanks, Dad.'." This always gets a laugh; nearly half the members of Y.P.O. head businesses started by their fathers or grandfathers.

Some of these presidents, notably those who represent a third or fourth generation of family management, seem to lack the relentless drive of those who came up the hard way, and may be regarded less as company builders than as custodians and conservators of institutions to which they feel they owe a certain seignorial obligation. A surprising number of presidents-by-inheritance, however, seem to possess a full measure of entrepreneurial temper. A family company is not necessarily a nice, safe business that pretty much runs itself. A good many of the family enterprises that the young presidents have run up into sizable businesses were tiny when they took them over. Some were little more than the traditional mom-and-pop store or its industrial equivalent. Some of the more substantial family enterprises were almost hopelessly antiquated and run down, and rebuilding them has in many cases required efforts fully as heroic as starting an entirely new business.

Among the young presidents there are many who came from families of adequate means and impeccable social standing, who went to college and were offered (and even tried working at) good jobs with big companies, but who nevertheless felt a compulsion to strike out on their own. "I felt a burning desire to get ahead, to accomplish something against all obstacles," one young president recalls. Another says: "When I got out of the service after World War II, I had plenty of good job offers. One was from my dad, and one from my father-in-law. But

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I just had to find out if I could make it on my own."

For all their differences, it is a driving egoism that is the salient characteristic of the young presidents. They are of that opinion themselves; and they describe themselves not only as egoists but as aggressive egoists. In discussing their careers, a few of the young presidents do try to hide their egoism behind the corporate "we," but most are pleasantly uninhibited about employing the first person singular, e.g., "I knew I had to turn the business around, and the first thing I did was to fire the controller...."

The Y.P.O., of course, is a cross section of young entrepreneurs, and almost anyone who had gone so far so fast, whether in big business, small business, or the professions, would feel much the same self-regard. It is as entrepreneurs, however, that the young presidents consider themselves members of a natural elite. After paying due tribute to luck, timing, or favorable circumstances that may have contributed to their success, many go on to say they are endowed with special gifts that set them apart from most business executives. "There seems to be a certain spark," says Harold M. Altshul, president of a New York wholesale drug house, "in every man who takes a business and makes it move." A Philadelphia manufacturer says: "I had to be on my own, and I knew that I had what it takes. I'm

that type of rugged individual."
"Meaning no disrespect to my children," a midwestern building-materials manufacturer says, "I doubt very much if any of them will ever have what it takes to start a business of his own."

#### THE SUCCESSFUL NEUROSIS

Some of the young presidents state, quite happily, that their creative drive is neurotic in origin. A case in point is Michael Levy, forty-two, who feels that he and many of his fellow presidents are neurotically bent on proving they are better businessmen than their fathers. Levy is a New York insurance broker who took over a near-defunct family insurance business at the age of twentytwo and who now heads (and owns) seven insurance brokerages, which last year collected around \$2 million in commissions. "My father was five feet four inches tall," Levy says. "He hated my guts because I was better educated and a better golfer, and because I was five feet eleven." Levy, who has been undergoing psychoanalysis for more than seven years, adds: "But like a lot of these guys, when I look in the mirror I wonder if the guy I see is as good a man as his father or his father's father. A lot of us have these unscratchable itches."

Actually, most of the young presidents seem no more neurotic than the next fellow; if anything, less, and men in more circumscribed positions could well envy the freedom ch

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with which they can air the psyche. While it might not be a neurosis, however, the memory of the father does indeed run strong in most of the young presidents. Lyle Spencer, president of Science Research Associates of Chicago, who has conducted a number of questionnaire surveys of Y.P.O. members (and who has himself undergone psychoanalysis), believes that many Y.P.O. ers are "out to beat Pop."

### \$41,000 PLUS PERQUISITES

Few of the young presidents admit to having been motivated primarily by money, but they very much enjoy what money they have, and would like lots more. Eighty of the thousand members are millionaires, and the rest are not doing badly. According to figures recently furnished to Y.P.O. by more than 600 of its members, their median net worth is \$278,000, and their median income is a comfortable \$41,000, 85 per cent of which is salary. The average young president, nevertheless, doesn't think this is nearly enough money. He thinks he should be making about twice as much as he is. "It's amazing," says one president, "how your standard of living increases almost simultaneously with your income."

The living standard of the average young president is somewhat more lavish than that of the typical \$35,000-to-\$40,000-a-year executive of a big corporation. In the way of travel, entertainment, private planes, cabin cruisers, gardeners, chauffeurs, or extra automobiles there is a hefty amount that the young president can legitimately charge up to the company—or, at the very least, claim as an income tax deduction.

Quite aside from his feeling that he is better off financially, the young president sees no reason to envy the big corporation executive. Indeed, he is apt to feel sorry for the man whose status depends on his position in a corporate hierarchy. "If I meet a General Electric executive on a train," the president of a hotel-management company says, "I know he's never heard of my company, but he damn well knows what a president is. Even if he's pretty high up, I know he's just one of dozens of guys, or even hundreds, and he knows I'm up there all by myself."

### (Continued in next issue)

The administration of a newly established college, having fond hopes of developing it into Ivy League status, posted this notice on the bulletin board:
"At this college," it read, "it is traditional for all freshmen to remove their hats while crossing the quadrangle. This tradition goes into effect Monday morning."

# The uses of experience



W E SPEND much of our lives getting ready for something. The something may happen tomorrow, like passing examinations, or it may happen five years from now, like taking over a new job.

We have two principal ways of preparing: by study and by experience. Some people think that experience costs too much in time and effort, others believe that book learning is superior, while others find experience too tedious a process.

In its simplest terms, what we seek is this: to have familiar factors to put into the equation we have to solve. In algebra and chemistry these factors are the knowns. Only through knowledge of the knowns can you find the unknowns. In everyday affairs the knowns are the memories of experiences.

What does a quarter-back at a football game do when he is walking back to his huddle? He draws on his experience of past games and his experience of the players on his team and his knowledge of the opposing team, and then, after working out an equation based on facts of the past and the present, he reaches a decision about the play to call.

The doctor uses experience when he adapts a certain form of treatment to your case. The research chemist uses it when he draws upon his knowledge of past experiments. The mechanic applies his knowledge of putting a machine together. The business executive looks at charts of past years so as to assess the present prospects of his business. Our laws exist because experience has shown us that they work.

We can get into more trouble by ignoring the lessons of experience than in almost any other way.

The value of employees to an industry or an office is largely measured by their experience in that organization. Every firm has its own way of doing things. No worker can be efficient until he has learned the ropes. He cannot be given responsibility until he has qualified his knowledge by experience.

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H.M.S. Suffolk, shadowed the Bismarck toward her doom in 1941, his success was not wholly due to radar, but rather to his diligence in getting personal experience with that new device. Says the historian: "The trouble he had taken to instruct himself in the subject was to have a noteworthy reward."

When we say that experience is a valuable asset in business and in the other activities of life we do not mean just casual acquaintance with events as they pass by. Experience is useful only if you have the capacity to learn from it and to apply the lesson to the constructive benefit of yourself and the business.

### THE EXECUTIVE'S EXPERIENCE

The biggest jump a person makes in his business career is the jump from doing a good individual job to the supervision of people. Many who take that jump successfully have not learned much theory. They are men who gained their diplomas cum laude from the College of Experience.

A young man who has set his sights on a managerial post should keep in mind the difference between —as the editors of Fortune put it in their book "The Executive Life"—"being a manager with broad experience—period—and being a manager whose broad experience has developed his judgment." It is broad judgment that top management is after, and not simply a man with a load of varied technical or professional

knowledge he has learned but not yet applied.

When an expert is called in to get a stalled machine operating, he may charge \$100, of which five cents is for turning a screw and the balance is for his lifetime of experience that taught him what screw to turn.

Experience is a great support when one is called upon to lay down a stake, as is required of the executive every day.

In discussing the causes of business failures in Canada in 1955, a Dun and Bradstreet study shows the biggest cause to be "lack of managerial experience." This accounted for 39.4 per cent of the 1955 total of failures. The next biggest percentage (29.8) was due to "unbalanced experience," described as experience not well rounded in sales, finance, purchasing and production. Then followed "incompetence" with 21.3 per cent of failures. Altogether, lack of experience or incompetence accounted for 96.7 per cent of the total failures.

### TRIAL AND ERROR

Problems are solved in many situations by trial and error, but not if the trials are made in a bull-headed way. Trial and error efforts must have some content of intelligence, a pattern. Random efforts have no more chance of success than those of a fly beating its head against a pane of glass.

"Let's try it and see what will happen" is one of the main streets of scientific experiment. It is a way of getting experience in many other activities besides science. Farming, cooking, manufacturing, weather predicting, and construction, for example, depend on the records of the trials, errors and successes of distant days and yesterday.

Edward Hodnett tells us in, "The Art of Problem Solving" (Harper & Bros. 1955) that the fastest and best method of finding the answer to a simple problem is often through trial and error. He adds facetiously, however, that this axiom is disputed by many women, who think talking about it is more interesting, and by many men, who think they should refer it to a committee.

The gaining of experience by trial and error is not universally useful. It can be wasteful of time and energy. A paramecium, one of the most humble creations found in ponds, has no specialized sense organs, but progresses by avoiding reaction. It butts into an obstacle, backs up, changes direction, and tries again. It finds its way simply by keeping out of trouble.

The young man trying to get on in the world will have a most unhappy time if he tries to depend wholly upon such trial and error ways.

Man is the only animal that ever combined curiosity with experience and made the combination pay continuous dividends. He seeks to understand things that he has to back away from. He observes, builds a possible explanation, forms a plan, and tries it out.

Some people think Galileo's experiment in dropping things from the leaning tower of Pisa as merely an experiment in physics, but that is not its great significance. What he demonstrated was a new problemsolving method based on observation and experience.

Observation provides facts on which our intelligence may work. To observe successfully, we must train ourselves to pay attention to details, seeing the apparently unimportant as well as the clearly important facts, the uninteresting as well as the interesting, the obscure and the strange as well as the obvious and the familiar.

### OTHER PEOPLE'S EXPERIENCE

If we depended upon our own personal experience for our learning, we should find ourselves with scanty knowledge, thin in some places and utterly lacking elsewhere. The ambitious person says: "Out of whose book can I take a leaf?" and he proceeds to make the experience of other people an extension of his own.

Some men are never convinced that they know a thing unless they have experienced it. They are rather pitiable in their refusal to listen to anyone but themselves; like an obstinate ship's captain who has to learn by many wrecks how to avoid the rocks.

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Other men and women, some much wiser than we are and others perhaps just as deficient in skills, sought solutions to similar problems last week or a thousand years ago.

We can use their experience by

proxy, as it were.

No scientist and no business man can begin a project with assurance of success unless he knows what has already been done.

How do we tap the accumulated experience of mankind? Merely reading the biographies of great men will not make us great. They have set up guide-posts and warning signs, and they have erected signs that draw our attention to pleasant views and exciting prospects. But we must step out on the highway, learning not only to see but to interpret in terms of our own life the experiences about which they tell us. To take a trustworthy record from the past and adapt it to solution of a present problem: that is truly making the experience of other people our own.

### BREADTH OF VIEW

If you are called upon to solve different kinds of problems, your experience must be broad. The workman and the executive who have had years of acquaintance with their work find that they come again and again upon their own footprints. The footprints may not be the same size as the shoes they wear now. The knowledge of individual situations they had ten years ago has broadened

out into knowledge of principles. These are guides in similar and related situations today.

What is the difference between narrow experience and broad experience in their effect upon one's opportunity for advancement in one's job? The first may make one an expert at a routine job, but it may not qualify one for a better job. The second does two vital things: it multiplies one's sources of inspiration and it enables one to trace cause and effect.

The reason that crack salesmen change into cracked-up executives, says Hodnett, is that their early experience in solving certain kinds of problems successfully is too narrow to be transferable to the kinds that face them in their later positions.

Not every problem has been precisely duplicated in the past, but having part of the solution in hand leaves your mind free to apply all its energy to the part of the problem that is different.

One thing that will not change is a principle. By distilling principles from our experiences we are building the essentials of future progress and solutions.

No person should attempt to be original until experience has taught him what is usual and normal. Originality is deviation from the accustomed. First, you have the regular, the routine, in which you are expert. Then, by intuition or directed

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#### CHOOSING EXPERIENCES

Just as progress in becoming a skilled machinist consists largely in eliminating useless motions, so we must learn that some experiences should be passed by. They are neither harmful nor beneficial, and are therefore of no consequence to us. They would cause a jumble in our minds, like the clutter of an attic storeroom.

Negative experiences are nevertheless significant. One of his coworkers remarked to Edison about the tediousness of an experiment: "It's too bad to do all of that work for nothing." To this the inventor replied: "But it's not for nothing. We have got a lot of good results. Look now, we know 700 things that won't work."

Besides screening experiences for outright discard or acceptance, we can decide that some shall be merely sampled. It is not necessary to experience all of an event in order to judge whether it is good or bad, desirable or not. You do not put all of a dress-length of cloth into a bath-tub to find whether the colors are washable. You put a small piece of it into a basin. If the colors in the sample do not run, the colors in that piece of cloth are fast. But make sure that the sample is truly representative and that the test is carefully made.

Our chosen experiences, whether complete or partial, may cause us dismay or pain. We are likely to mourn over the fact that our experiences are mostly of adversity, but we should not do so. Men and women who have become great in industry, the arts, and politics tell us that their ability to cope with crises today arose out of the experience they gained while wrestling with adverse circumstances in their early years. Said one man: "Tve had two or three painful kicks in my business life, but every one woke me up and a couple helped me upstairs."

Of one thing be sure: it is not an evidence of maturity to throw down the tools of an experiment in disgust when first efforts show they do not work.

Robert P. Crawford says in "The Techniques of Creative Thinking," (Hawthorne Books Inc., 1954): "I have known many individuals who have lost positions or suffered bankruptcy and who have immediately started out on new work so successfully that they look back on the events of the past as having been the best things that could possibly have happened to them."

### PUTTING EXPERIENCE TO USE

Using experience involves the association of ideas. Every new thing is related to knowledge we already have.

By gathering experiences with eagerness, sorting them into categories, and welding them together with our own thought, we may be led, and often are led, to stand on the brink of great possibilities.

And let no person with ambition to succeed in business think that he can skip this process. Do not believe that because you are exceedingly clever as a stock keeper you will automatically make a good purchasing agent, or that your years behind a counter will make you a good branch manager, or that because you are a crack mechanic you are sure to be made foreman.

Experience is essential in all these, but the man who progresses needs to add something more. He uses his experience, to be sure, but he is constantly deepening it by observing and learning and reaching out beyond it. If he is a clerk, he may be studying book-keeping; if he is a book-keeper he may be studying costing; if he is a machine tender he may be studying how to manage people.

Experience is not wisdom, but material for thinking with. It is always prompting the alert man to ask questions. Every parent is embarrassed by the natural bent of his young children to ask "why?" Yet if we were to continue to ask "why?" of every experience we should approach nearer to wisdom with every passing year. Learning is the most pleasant of all experiences, not only for philosophers and professors, but for the rest of mankind as well.

The man who has won a mile race, or come first in a golf tournament, or pitched a shut-out in baseball,



spent some time in getting the hang of it. The juggler who keeps six balls in the air while standing on a tight-rope puts in long hours of practice. The executive who handles in a forenoon a mountain of mail, a torrent of telephone calls, a spate of visitors, and a constant stream of subordinates seeking instructions: he does it with apparent ease because he is experienced in it. Leonardo da Vinci, whose eminent position in art is unquestioned, would draw a hundred sketches of an animal from observation before turning to his picture to fix it there for all time.

### ACTION IS NEEDED

Merely to experience a need is not much of an advance. A man may experience the need for a glossy but not slippery bath-tub, but unless he makes one he has not put his experience to use. What a man gets as the result of his experience is what he earns by putting that experience into service.

A man must put himself forward. At the Olympic games it is not the finest and strongest men in the

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with categether nay be world who are crowned, but they who enter the contests. Out of our experiences we choose something to be or something to do: then we must proceed to be or to do, to risk our convictions in an act.

Alas! some persons are satisfied to talk about their experiences. Others bypass the hardship of experience for the soft road of superstition and luck. They follow their stars, they say. They sacrifice their human qualities of searching and finding, of trying and succeeding, of imagining and realizing; they sacrifice all these for a will-o-the-wisp, seldom reaching the height of achievement that it was in their power to attain.

A man must show ability if he is to earn promotion. Is he ready for a more important job?

If a survey of your present state of education and experience shows a deficiency in view of your goal, what can you do? You may get acquainted with people whose knowledge you can use as an extension of your experience. You may join a trade or other association which devotes itself to study and solution of the problems in your line of business. You may enroll for a course of study in an evening school. You may lay out for yourself a course of reading, so as to learn from the experience of the past.

Above all, avoid the dangerous opinion that you know enough. The wise man who is ambitious is always studying the next job ahead so as to be ready for it when the chance offers.

#### FLIGHT INTO FANCY

A few years of schooling will put a young man in possession of more mathematics than Newton had, but does this make him a Newton? All it does is give him a spring-board.

His imagination, feasting on the wealth of fundamental facts gathered through the ages, must soar above the ordinary routine of life, find questions to be answered, probe the secrets of unexplained things, build hypotheses to be challenged and proven, or invent systems or machines that contribute to business progress.

No man of feeble imagination ever became a great business executive, but every great business executive based his imagination on all he could find out of the past and his own experience.

Not to test what is said and taught is weakness, so let us try out the truth of what has been said by working an exercise in applied imagination. As Leonardo told us, when you look at a wall spotted with stains, if you are about to devise some scene, you will be able to see in the random marks a resemblance to various landscapes adorned with mountains, rivers, rocks, trees and valleys; or you may see battles and figures in action, and an infinite number of things which you can then

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Here are some ideas, spots on a wall, that any person may experiment with according to the principles discussed. They are taken from "Applied Imagination" by Dr. Alex F. Osborn (Charles Scribner's Sons. 1953), where you may find about 150 other similar exercises. Adapt these to your own business or interests. What solutions of downtown parking problems can you suggest? Name all possible uses for a common brick. Write down three of your "pet peeves" along with creative suggestions as to how they might be alleviated. Select the career that appeals to you most, and list ten points by way of qualifications which might appeal to a prospective employer. Think up ten ways to entertain yourself when alone for an entire evening. You are the minister of a church where attendance of young people is dwindling: describe at least six things you might do to correct this trend.

People fail because they have not realized through experience all that they are capable of doing. Young men who ignore the lessons of experience lose themselves in the crowd. Others find ignorance and incuriosity a soft and easy pillow.

Most of us know that the life of a workman who does not apply his experience to betterment of his job can become unspeakably sad and barren or coarse and frivolous. The only boast to which such a life can give birth is that of an ancient Greek who was pictured by Socrates as seeking public office on the platform that he had never learned anything from anyone.

To a successful man, or to the person headed for success, experience achieved by industry and perfected by time is a positive benefit. He knows that what he is to be he is now becoming.

The man who has taken care to gain wide experience can take hold anywhere, he can meet any opportunity with his chin up. That, indeed, has been the experience of great men in every age. Kings, philosophers and top men in every line of activity have gone to this school, and have come away with the sense of power that arises from the confidence that they are masters of their jobs.

Reprinted from THE ROYAL BANK OF CANADA MONTHLY LETTER.

The secretary asked her boss where he had spent his vacation.

"Well," he replied, "a friend of mine invited me up to his hunting lodge—a quiet, secluded place. No night life, no parties, not a woman within a hundred miles."

"Did you enjoy yourself?" she asked.

"Who went?" he snorted.

# EDUCATION AND TECHNOLOGY



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THE ADEQUACY OF LIBERAL ARTS EDUCATION in today's technological civilization was challenged recently at the annual meeting of trustees of Illinois Institute of Technology, Chicago.

President John T. Rettaliata declared that in an industrial society any curriculum "not broadened to the extent of including an understanding of science and technology is not balanced or relevant and, therefore, not liberal."

Urging that science be a requirement in the curriculum, the educator added:

"A proper liberal program prescribes areas of learning which permit the

student to grasp the significance of tradition and history.

"Modern liberal education can exclude science no longer. In the past, most of science's research efforts were of a pure or fundamental nature, primarily of interest to the laboratory or classroom.

"Today the situation has changed to the extent that practically all research

is of the allied type, which means it has a current effect on society.

"The liberally educated man obviously must be cognizant of this effect."
Rettaliata said strengthening of the engineering curriculum in the fields of the humanities and social sciences has been a major development in technological education.

He explained that changes and extensions have steadily been effected to broaden the base of engineering education to develop the potentialities of

widest effectiveness in an industrial civilization.

Education's goal, he continued, must be more understanding of social problems by the scientist, and more understanding of science by society

generally.

"If it is important for the engineer to understand economics, and the implications of history and the arts, certainly it is equally important that students pursuing a liberal education understand some of the problems and results of science and technology, and the facts of the nation's industrial growth," he added.

The Illinois Tech president said that growing emphasis on technology

and research will result in increased graduate study.

Rettaliata's report hit at charges that the youth of the country is being "high-pressured" into studying engineering and that technological education has been given emphasis at the expense of the liberal arts and humanities.



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### Fair Shares

by Louis Ruthenburg

Under our free market system, economic health and progress depend upon increased productive efficiency. But economic health and progress also depend upon the way in which the benefits of increased productive efficiency are distributed.

If we are to have continuing prosperity, such benefits should be fairly shared by wage earners, by consumers, by owners of business and by government.

Wage earners are entitled to increased real wages.

Consumers are entitled to greater values in exchange for their money.

Business owners should receive satisfactory profits from their investments.

Government must be financed through taxes.

When benefits are not fairly distributed, trouble can be expected. It seems that during recent years people on the payrolls and in government have forgotten the vital interests of consumers and business owners. Wage earners and government have been the chief beneficiaries of increased productive efficiency.

In final analysis, the customer is the boss. When consumers decide that they are not getting their money's worth, they may reduce their purchases. If that happens, the business machine will slow down and unemployment will increase.

If business owners do not receive satisfactory profits, management cannot raise the money for enormous investments in plant and equipment. Such investment is necessary to bring about greater productive efficiency.

Excessive wage demands, increasing tax take, shrinking profit margins, increased prices are disturbing clouds in the economic sky.

Are we so busy looking for "pie in the sky" that we cannot see the clouds?

## ... ON TRAINING SUPERVISION

Today, more than ever, foremen find themselves in a position of authority which requires intelligent leadership and close contact with the people who carry out orders. Since foremen and supervisors can exercise more influence on all workers than anyone else, no progressive company can afford to neglect its foreman training program . . . .

by Gen. Hermon F. Safford, President, Ohio Rubber Co., and NMA National Management Man of 1957. Success in industry comes only through the development of a trained and well-coordinated team. The team includes everyone on the payroll, but the inspiration, encouragement and guidance must come from management. Management, including executives, supervisors and foremen, can only do a good job if they succeed in convincing those whom they supervise that they are also a part of the team.

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The only people who are close enough to the workmen every day to accomplish this are the foremen. There is no real conflict of interest between the supervisor and the supervised or, in other words, between management and labor. What is good for one results in good for the other provided all parties are acting intelligently and in good faith. Then and only then can leaders on both sides fulfill their responsibilities properly.

The role of foremen in management is certainly of primary interest to the membership of the NMA, which, as we all recall, started its career as The National Association of Foremen over 30 years ago. The Ohio Rubber Company's Club received its charter in 1938 when there were less than 3,000 members. We have been represented at every convention since then, and on the Board of Directors continuously since 1939.

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One of our members was a Vice President from 1952 to 1956. . .

Today, more than ever, foremen find themselves in a position of authority which requires intelligent leadership and close contact with the people who must carry out orders.

Their influence on the spirit of an organization is tremendous and so is the influence of the spirit of an organization upon its efficiency of operation.

Since foremen and supervisors can exercise more influence on all workers than anyone else, no progressive company can afford to neglect its foreman training program.

It is just as necessary as medical degrees for doctors and engineering degrees for engineers. A properly planned program will give the foreman most of the basic information he needs to do his job. This training should cover all of the subjects which come within the scope of the foreman's responsibility. Without proper training, the foreman often has very little idea how to handle many situations.

We at Ohio Rubber have usually started off our foreman training programs by having the President explain their purpose and scope. Basic company policies affecting the activities of employees are explained and discussed. The company organization charts are studied and the functions of each department and the channels of communication and responsibility clarified.

There is also a general discussion

of the broad principles of economics as applied to a manufacturing business. The paramount importance of the ability to earn good profits is emphasized. The relationships between shareholders, customers, management and labor are discussed, stressing instances where their interests are the same.

We feel that having the President take the lead-off position in starting the training program is of great value in convincing foremen of the importance placed on this activity by top management. Succeeding sessions are conducted by other executives and specialists and cover the entire field of foremanship.

The most important subjects covered include: Job instruction training-how to teach someone else to do a job; human relations—how to get the best efforts from people with a genuinely friendly approach without sacrificing the dignity of leadership or the maintenance of shop discipline; fire prevention and safetywhat to do in case of fire and how to prevent injuries through enforcement of safety regulations; quality control methods and applicationrealization of the necessity for compliance with customer drawings and specifications to protect the company's reputation as a consistent and dependable source of supply for quality products, and the use of quality control as a scientific means of controlling quality and establishing the minimum inspection requirements at minimum cost for each pro-

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duct: waste control methods and procedures including the use of regular monthly performance reports and the purpose and application of the waste-reduction bonus system; the purpose, preparation and use of expense budgets for each department; a thorough understanding of the union contract so the foreman can explain its provisions, answer questions and handle grievances as they arise, thus reducing to a minimum the preparation of written reports and the instigation of arbitration procedures; a reasonable working knowledge of certain provisions of the Wage & Hour and labor laws to avoid issuance of orders which are contrary to law and to facilitate correction of any illegal actions on the part of employees.

A knowledge of these subjects is essential to efficient supervision. It enhances the respect of employees for the foreman and reduces the probability of the guard-house lawyers deliberately trying to take advantage of the foreman because they think they know more than he does. These are all examples of some of the more important facts all foremen should know.

Training programs should be varied from time to time and should avoid repetition. These programs require some extra effort and some real sacrifice of time.

Good management today involves attention to civic responsibilities, especially within the community where a plant is located and where the company employees reside. In very broad terms, things that are good for the community are good for a business located therein. Employees need adequate schools for their children—otherwise they are likely to look elsewhere for employment.

A company needs good fire and police protection just as much as the city does. Management can be of great assistance in solving civic problems, especially in small communities. Incompetent management of the city's business can cost a manufacturer heavily in unnecessary taxes. Foremen and engineers can lend assistance and advice which lead to better local government.

We encourage members of management to serve as city councilmen, on the Chamber of Commerce and other part-time civic activities of mutual benefit to the city, the company and themselves. By keeping this close to local problems, we know what is going on most of the time and can often guide new projects in the right direction before it is too late. Industrial management is inherently cost-conscious and can offer advice concerning the design, construction and materials used for water and sewer systems, road maintenance and major construction projects, thereby reducing costs and lowering tax rates for themselves and everyone else. Industry can provide the experience and ability which is often lacking in small city governments.

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Assistance in the administration of organized charities is an activity that can bring great credit to a Management Club and to the reputation of a company in any community. It also brings great personal satisfaction to anyone who gives his own time to help others who really need help.

We believe that it is the duty of every member of management to encourage charitable donations on the part of company employees and that such contributions should be facilitated through payroll deductions on a voluntary basis. With the help of our Management Club, we set up the ORCO Consolidated Charity and Service Fund some years ago to handle employee contributions.

Distribution of these funds is made by a Board of Control consisting of three members from management and three from the local union, with the Director of Public Relations as chairman ex-officio.

Our Management Club sponsors and finances with their own funds a scholarship for sons or daughters of employees who want to go to college. One scholarship is open to the children of company employees on a competitive basis each year. When opportunities of this nature are made available to all employees by such generous action on the part of the members of management, it cannot fail to create a feeling of kinship and understanding throughout the entire organization.

No management club can fulfill its mission completely without the participation, cooperation, sympathy and active assistance of the top executives of the company. Social activities are important to the success of a management club, and some financial help from the company is entirely proper. Held within reasonable bounds, such activities relieve the tensions and conflicts of interest which occur inevitably in the daily conduct of any business, and serve to promote friendship and mutual understanding within the organization.

The activities of the National Management Association in providing educational material for the member clubs have been outstanding and are continually improving.

The "Code of Ethics" expresses the basic philosophy essential to successful foremanship.

"MANAGE," the highly successful magazine, is well-planned and extremely useful as a source of information on what goes on in the management field.

There can be no doubt that with the enthusiastic support of the membership, the National Management Association will continue to grow and will use its influence to bring about a better understanding throughout the country of the high aims of management toward improving the welfare of the nations.

# SCHOOLING the SOVIET SCIENTIST

by Burton Rubin

harsh methods. The law school of the University of Moscow, established later that century, began with a total enrollment of one. The West is now staring at the flood of excellent Soviet engineers and other scientific personnel pouring from a tremendous school system. is

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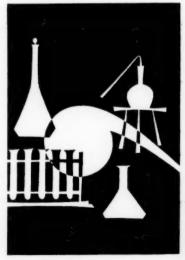
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The numbers represent no compromise with quality. Social sciences and the humanities in the Soviet Union are, of course, trammeied by the Marxist ideology, and usually attract the less able or the quiescent. But the hard test of physical science requires demonstrable results, and Russian science, having survived a temporary tampering with genetics,

As MANY of our educators enviously point out, education in the Soviet Union is a serious matter. The Russian secondary school and university student has no system of electives that permits him to scatter his choices among courses in safe driving, ballroom dancing, advanced physical education and "mathematics made extra easy for the humanities major." The Soviets believe in hard work, long hours and rewards in another—nonacademic—world.

The West has derided Russia for centuries because of its clumsy imitations of foreign models. When Peter the Great set up the country's first institutions for higher learning in the 18th century, he had to draft students for them with typically



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is producing results of distinguished and, perhaps, frightening character.

The Soviet student spends many more hours in classes and in out-of-class study than our students do. His government invests a greater proportion of the national product in its educational enterprise than ours does. The earnest character is built into the system by a series of incentives that insure that the long hours and government educational investment are efficiently used. The student knows that education opens the possibility of advancement to status and privilege.

#### ACADEMIC MERIT

Entrance into Soviet higher education is determined almost solely on the basis of academic merit. The exceptions are the ubiquitous Soviet "political reliability" qualification, and, frequently, the advantage of being the son of a party or government bigwig. With the abolition of tuition fees beginning with the 1956-57 academic year, competitive entrance examinations became the only hurdle the students must jump to enter the ranks of the Soviet privileged elite.

The vast system of state scholarships, variously reported to support 75 to 90 per cent of the students in higher education, keeps the Soviet student serious. In fact, as the Soviet press often reports, the scholarship system places an unhealthy strain on many who are constantly anxious about losing them if their grades fall below par. But it also ensures that only the academically gifted are able to survive.

By contrast, tuition costs in American higher education are already out of reach for many. Indeed, half of the top 20 per cent of our high school graduates fail to go on to college. Other estimates show that about one-third of American high school students in the top two per cent of IQ scores do not go on to college.

Soviet students first encounter the sciences in the Ten-Year School, the basic unit of Soviet general education. The school is composed of three units: the elementary grades, one through four; the intermediate grades, five through seven; and the upper grades, eight through 10. Soviet pupils, like Soviet workers, work a six-day week. Classes run for 33 weeks a year, providing for a total number of class hours, over the 10-year period, of about 10,000.

In a recent study of Soviet education, the Office of Education of the U. S. Department of Health, Education and Welfare uncovered a disquieting fact. The study shows that Russian children get more hours of instruction in their 10-year system than American children do in the 12 years spent in elementary and high school.

What is of greater concern are the comparative figures on scientific training in the American and Soviet school systems. Unlike our system where curriculums vary according to

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local conditions, all Soviet students up to the age of 17 study the same subjects. In the eighth to the 10th grades, approximately 41 per cent of class time is spent on sciences and mathematics, with an over-all total of about 35 per cent for the 10-year period. Mathematics classes, which include algebra, geometry and trigonometry, are attended six hours a week, every year, for 10 years. Physics begins in the sixth year, at three hours per week, and continues through the 10th. Chemistry begins in the seventh year, at three hours per week, and goes on for the remaining four years before graduation.

#### CONTRAST AND COMPARISON

In contrast, in 1955 less than onethird of American high school graduates had even one year of chemistry; about one-fourth had one year of physics, and only one in seven had taken any advanced mathematics beyond the arithmetic level. In 1954, 23 per cent of our public high schools did not offer any physics or chemistry courses at all.

How do the Soviet mathematics and science subjects compare to ours in scope? Nicolas DeWitt of Harvard University, one of our leading experts on Soviet education, points out that a study of Soviet physics and chemistry textbooks for the ninth and 10th grades showed them to be comparable to those used by American college freshmen.

The Soviet graduation examination problems in physics are on an equal level of difficulty with those in our Advanced Placement College Board tests. These tests are taken by only a very few American high school graduates who seek to qualify for sophomore standing in college physics. All Soviet 10-Year School graduates encounter these problems.

In 1952, the 19th Soviet Communist Party Congress set the goal of compulsory 10-year education for all Soviet children by 1960. Advances made toward this goal in recent years have swelled the rolls of classes being graduated from the 10-Year Schools. Those graduates who are to go on to advanced training can choose either the higher educational institutions, or the technicums where Soviet technicians of middle qualifications are trained.

Until recently the technicums offered a four-year course of instruction to those who passed entrance examinations and had seven years of general schooling or its equivalent. In the face of the growing number of people who were expected to complete the 10-Year School, shortened two-year programs were introduced in 1952. The training embraces all the specialties of the various Soviet social services and of the branches of the economy. Last year it is estimated that these technicums graduated 140,000 new engineering technicians.

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#### SHORT OF THE MARK

As the relative number of 10-Year School alumni increases among these graduates, technicum training will become more clearly equivalent to that of the American two-year technical institutes above the high school level. Full and part-time students from our technical institutes and from the extension divisions of our colleges are graduating at the rate of 20,000 a year. Karl O. Wermath, President of the Milwaukee School of Engineering, estimated this to be one-eighth of the number we need.

Enrollment in Soviet higher educational institutions is well below our figure of 3.5 millions. This year there are two million students studying in the three categories of Soviet higher education-residence, extension and evening. It is, however, easy to be misled by this enrollment comparison. Of the nearly 800 Soviet higher educational institutions, 37 are universities, and the rest are technical institutes of various specializations corresponding to the technicums. Of the 700 technical institutes, some 200 are devoted exclusively to training various types of engineers. In 1956, the Soviets graduated 71,000 engineers; our graduating crop was 35,000.

A further illustration of the enormous technical and scientific specialization of Soviet higher education is provided by the universities where Soviet scientists are trained. Of the total number of students in Soviet universities, some 50 per cent are enrolled in the pure science faculties—a figure that is unique and unparalleled in any other educational system.

One might wonder if the Soviet Union is not producing too much scientific muscle and too little reflective brain. The results might hurt the Soviet state, but they might also create another danger for the world. We can take little comfort from possible Russian incompetence in intellectual statesmanship.

But if we permit ourselves greater room for big thoughts in American education, it is obvious that we are not making effective use of it. The Soviets are teaching us that we need more students in the hard discipline of the physical sciences and more hard study in the other fields of scholarship.

—from CHALLENGE

A hitchhiker was picked up by a big expensive car driven by an obviously wealthy Texan. Seeing a pair of horned rimmed glasses lying on the seat between them, the hitchhiker remarked:

"Shouldn't you be wearing your glasses while you're driving, sir?"

"Don't give it no mind, son," said the Texan. "It's no trouble driving this way. The whole danged windshield is ground to my prescription."

# The Problem

## DRINKER



MORE THAN 2,000,000 U.S. workers are either alcoholics or problem drinkers. Last year they cost U.S. industry more than \$1 billion and 13 million man-hours lost through absenteeism (average: 22 days), slowdowns, inefficiency, accidents and loss of trained personnel.

Time was when industry ferreted out such workers and fired them. To-day the boss still keeps a close eye out for the problem drinker, but it is more often to help than to fire him. Faced with new understanding of alcoholism as a mental illness—and with a nationwide shortage of trained workers—more and more companies are trying to reclaim the problem drinker for productive work.

Progress toward solving the problem was blocked in the past by the refusal of many companies to recognize that they had a problem, as well as by the fear that a program to help alcoholics would make the company appear to be a home for drunks. But many big corporations have courageously set examples for industry by creating their own programs or joining with other companies in community-type clinics. New York's Consolidated Edison Co.—one of the pioneers—in 1952 underwrote the cost of setting up a consultation clinic at New York University- Bellevue Medical Clinic—which has since been joined by 13 other companies, including Bell Telephone Laboratories, Metropolitan Life Insurance, the New York Times.

Du Pont, Eastman Kodak, Allis-Chalmers and Boeing Airplane all have excellent and extensive programs of their own for rehabilitating alcoholics. Scores of other companies have informal programs, or refer their workers to outside clinics, psychiatric help or such organizations as Alcoholics Anonymous, Chicago's Portal House, Boston's Committee on Alcoholism, and Cleveland's Center on Alcoholism.

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Man grams to help is not the employee who goes on an occasional binge, but the worker whose job suffers from his drinking.

"You must be very careful," says Dr. Harold Vonachen, head of Carerpillar Tractor Co.'s medical department, "that you're not dealing with just the social phenomenon of martinis before dinner or drinking one too many on Saturday night."

To discover the man who is having real trouble handling his liquor—and the problem strikes executive and machinist alike— companies brief supervisory personnel on the signs to watch for, such as frequent absenteeism (usually beginning on Monday), irritability, sloppy appearance. Supervisors are warned that sheltering the problem drinker does him a disservice.

Once a problem drinker is spotted, he usually gets a heart-to-heart talk from his supervisor or from a member of the firm's counseling staff, who refers him to the plant's doctor, local clinics or rehabilitation groups.

Most programs are voluntary, but a worker who refuses help leaves the company little choice but to discipline him by short layoffs or eventually fire him.

Says an executive of California's General Petroleum Co.: "We're inclined to treat alcoholism as an illness, but if a man won't help himself, we have to dismiss him."

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Many unions still hogtie such programs by shielding alcoholics or

creating a fuss when it becomes necessary to dismiss them, but more and more companies are winning active union support for their programs.

THE EFFORT PAYS OFF handsomely for the employer. Most former alcoholics are so grateful for the help they receive that they become standout workers on returning to the job. Often they form counseling groups or act as personal missionaries to other company problem drinkers.

Allis-Chalmers has cut its firing rate for alcoholics from 95 per cent to eight per cent since it started its program in 1946, in the same time has cut its absentee rate among the treated from eight per cent to three per cent—lower than the plant average.

Considering such savings in production hours—and the fact that company programs for the problem drinker cost little—many companies consider help for the alcoholic not only humane but profitable. Says Henry Mielcarek, employee services manager for Allis-Chalmers: "We couldn't afford not to have an alcoholism program." He figures it saves the company at least \$80,000 a year in absenteeism costs alone.

Nonetheless, says a member of Colorado's State Commission on Alcoholism, "many industries still are either unaware of alcoholism in their own plants or unwilling to acknowledge the problem." But, as many companies are beginning to realize, such attitudes not only encourage the problem drinker in his course but harm the company itself. The best way to eliminate the cost and waste of problem drinking in industry is to face up to the problem.

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## PRISON SPORTS CAR

A GROUP OF MEN who aren't going anywhere for awhile have built a shiny pink sports car from a pile of junk.

The men are inmates at the Iowa State Penitentiary and the auto was a gift to a prison official who is helping them rebuild their lives.

Steelways, official publication of American Iron and Steel Institute, says the convicts hand-tailored the car for J. Roby Hilpert, the prison educational and athletic director.

The publication says that Hilpert got into the act back in 1950 when Warden Percy A. Lainson wanted to set up a vocational rehabilitation program that might enable the forgotten men to learn a trade and eventually earn a place in society.

Their first project was an auto repair shop where skilled inmates became instructors and unskilled ones enrolled as students. No pressure was exerted—in fact, the men lost the daily 25 to 70 cents they might have earned in the prison's factories—but many were willing to take the loss in order to learn to use their hands in constructive ways.

Says Steelways: "Welding, body repair, sheet metal, radio and television, commercial art and paint shops were subsequently added, and each of them had a full complement of enthusiastic students. The problem, however, has always been to find enough work. Classes were forced to demonstrate ingenuity."

The publication says that it was during one of the slow periods that one of the inmates—an ex-forger—persuaded Hilpert to go to a local scrapyard and purchase for \$12 a demolished 1940 Hudson and have it towed into the prison. With discarded parts from 12 different auto makes, they handbuilt the sports car into a 100-mile per hour sports model complete with Zebra upholstery.

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ndvith A LARGE MIDWESTERN COMPANY had itself a week recently. It was "If I Were Boss Week." During that week, supervisors consulted with their subordinates to find out what improvements they would make if they were the boss.

The company reported that their employees made several valuable suggestions, but it's a pretty safe bet, according to Vision Inc., specialists in management services, that none of those suggestions hinted, however subtly, that the boss had in any way been remiss.

There appears to be a trend afoot to have subordinates rate their boss's job performance. But the prediction is that though much interesting information may emerge from this procedure, it will not include any criticism of the boss.

A subordinate knows that his boss doesn't relish criticism any more than he does. But, all talk of democracy notwithstanding, criticism directed upward isn't expected. Should the unexpected happen anyway, the luckless subordinate can be made very uncomfortable, if he isn't eased out altogether.

The result is that no boss is likely to hear from his own subordinates about any ill will they may bear him. No matter how permissive he may be, he can't expect to get past their guard. The golden silence from below may mean that they all think the boss is fine. But the boss-subordinate relationship is a complicated one, involving a number of factors that may have nothing whatever to do with the give-and-take of work. In addition, it is difficult for even the best-intentioned boss to overcome the stereotyped thinking which often regards him as a powerful figure, judging his subordinates and dispensing reward or punishment on the basis of that judgment. So the existence of irritants is more likely than not.

Whether or not a manager has his subordinates' good will seems to be getting top management's attention. In one company, management was thinking of promoting one of the younger men in a department to take over when the current department head was upped to a higher job. With the aid of a cooperative rank-and-filer, management fed the grapevine with news of its plan. Not until the harvest was in—showing that, except for a couple of chronic dissidents, the proposed job boost met with general enthusiasm from those who would be the young man's subordinates—did management formally announce its decision.

On the other hand, in another company, a man who headed some dozen professional people was tapped for a job which would increase his responsi-

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bilities. Though very competent, his relations with his subordinates left much to be desired. The news of his impending increased jurisdiction spread quickly, as such news generally does. There was panic at the water coolers. Some of the panicky ones headed for the nearest employment agencies. So our man started his new assignment with only about two-thirds of the experienced people he needed to make a good showing. No, he didn't learn anything. He attributed the exodus to "top management's tight-fisted salary policy."

An executive who wishes to find out where his fences need mending is not necessarily stymied because his own people won't tell him. He can find out in other ways, and would be well advised to, provided his ego defenses can take it. If he is merely going to fret and stew over the discovery that he is not universally beloved, perhaps he'd better retain his comfortable insulation. Otherwise, deliberately or not, he is likely to make subordinates pay for his discomfort, and matters will be a good deal worse than before.

No safe generalization can be made about all subordinates everywhere. But it has been observed many times, that no matter how much they may dislike their boss, subordinates are not likely to gripe about him to other executives and certainly not to his superiors. They will complain freely, however, to others on the same level as themselves. And, in this way, word inevitably reaches other executives. At least one of them will be only too happy to pass the word on to his colleague. Exaggerated and embroidered, no doubt, but the kernel of truth will be there. The executive who can resist the temptation to discount the whole thing because of its source may learn something.

Subordinates tend to deal at arm's-length with a boss they dislike or fear. They just don't want any contact with the man if they can avoid it. Any manager, personally accessible to his subordinates, who has a goodly collection of memos from them concerning matters which could just as well have been talked about, would do well to wonder why they wrote to him instead of talking to him.

The staff meeting or conference can provide clues, too. A management consultant who specializes in training executives to be effective conference leaders, and has sat in on many meetings to see where improvement is needed, said that people have a natural urge to talk, to make themselves heard. So when a group of subordinates sits silent, letting the boss run on, not even responding to a request for an opinion or a suggestion, something's wrong with the relationship.

Employees disturbed by a rumor or a top management move should turn to their boss for reassurance and protection. When they don't, it may be

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because they regard him as an enemy rather than someone concerned with their welfare.

The list could go on indefinitely, but the executive on the lookout will find these yardsticks suggestive enough to start his own perceptions working.

As for what can be done to mend matters, that is likely to be different for each man. And an executive who has discovered that something is wrong, usually finds out at the same time just what is wrong. He can take it from there, if he considers subordinate good will important enough.



"Never mind what the boys tell you. It isn't necessary to sweep out the wind tunnel."

## **ARVIN INDUSTRIES:**

#### PROGRESS & RESPONSIBILITY

THE DESIRABILITY OF HAVING foremen identify themselves with the manment is generally recognized throughout industry. Often, however, executives mistakenly take for granted that this situation exists automatically.

Although foremen are defined legally as members of management, personal identification with the group is achieved psychologically only through their experience in working with fellow managers. Many firms do little to encourage this inter-relationship. Others set up either casual or formal committees and conferences to promote it.

One of the outstanding examples of the way an industrial firm can promote the interaction of foremen, and thus strengthen their identification with the management group, is found at Arvin Industries, Inc., of Columbus, Indiana.

According to Dr. Wilmar F. Bernthal, now a member of the faculty at the University of Colorado, Arvin is an outstanding example among firms participating in a recent study of the foremen's committee role in management. The Arvin program shows a "management philosophy applied . . . through regular use of committees and foremen participating in the plant manager's conferences."

What is the Arvin philosophy and how is it applied to make the firm an outstanding example?

In the words of Robert Munn, plants manager for Arvin's Electronics and Appliances division, "We believe the foremen will identify themselves with and realize their importance in the management group if they are given more than just supervisory responsibilities, are consulted about all types of problems and are given an opportunity personally to follow through on ideas they present."

All Arvin foremen are members of a group called the Key Men's Organization. This group includes all supervisory personnel, and numbers more than 400 persons. Each Key Man is a member of one or more management committees which meet once a week and are given definite assignments. Some assignments are long-term studies while others take only a short time to complete.

Examples are plant safety committees which have a continual assignment, and the "Parade of Products" committee which recently was charged with staging an exhibition of Arvin products for residents of central Indiana, where the firm's 15 manufacturing plants are located.

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Other committees work on absenteeism, plant lighting, conservation of materials and supplies, production, tooling, packaging, transportation and a myriad of other problems. Committee memberships are shifted frequently so each Key Man has an opportunity to work with different individuals on a variety of problems.

"One of the most important things about these committees is that the ideas they generate are used," says Munn. "When the men take part in a conference and make decisions, they know they haven't participated in only busy work' but have made concrete contributions to the company and that their decisions will be acted on."

Munn believes this is one of the reasons why Arvin plants have established such excellent industrial safety records. Foremen's committees are directly responsible for improving safety practices in each plant.

As a result, the radio plant in Columbus recently completed more than 3,000,000 man-hours without a lost-time accident. The Hutchins plant, in which automotive mufflers and vinyl-metal laminates are produced, hasn't had a lost time accident since it went into operation two years ago. For a newly-established industrial plant to achieve such a record previously had been thought practically impossible.

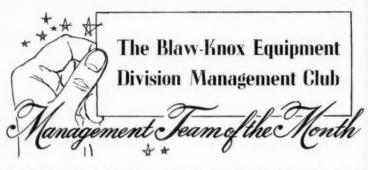
"In all meetings held by the committees and in conference between formen and plant managers, creativeness is stressed," Munn adds. "All ideas, so matter how wild they may appear at first glatice, are given thorough consideration.

"Often, if a foreman has an idea, the merits of which are doubted, he is given permission to test it in his own department before a final decision is reached."

Foremen also are encouraged to stimulate the flow of ideas from their own personnel. "When foremen see that creative ideas can come from all directions, they usually are more apt to offer their own suggestions to their own supervisors and to take a more active part in management," says Munn.

"Arvin believes that its growth depends upon using all of the talents of all of its employes," comments President Glenn W. Thompson. "That is one reason why we long have operated with a committee and conference type of management. It gives us the opportunity to use the talents of our managerial personnel to the fullest extent.

"If, as we believe, this is the most efficient and progressive method of conducting our business so far as company officials are concerned, it should work with the plant supervisor and foreman equally as well."



THE BLAW-KNOX EQUIPMENT Division Management Club has for several years conducted its own course in public speaking—patterning the program much after those of Toastmasters' clubs. The objective has been to train and give weekly practice to about 30 recently-appointed foremen (and any old hands, too, who want to sign up) in the art of thinking and expressing themselves. We all know that no member of management is very effective if he cannot get his ideas across to the other fellow.

In discussing the future Management Club program with our top management advisors, our executive committee agreed to make this public speaking course available to the executive board members of our shop (CIO) union. Our thinking was that local union officers often have the same public speaking and self-expression problems that foremen do, particularly when they have to sell a sound but unpopular idea.

The union's executive board accepted the idea with just as much enthusiasm as our club officers had in extending it. The union was invited to send six representatives to the classes, and we gave the union complete freedom in naming the individuals.

The results have been remarkable. In many of the sessions, the union delegates did better than our Management Club people. Management Club members had to work to keep their attendance records at the weekly classes as good as those of the union delegation.

Management Club members and the union officers got to know each other better and they reached that level of understanding and mutual respect where they could intelligently, constructively discuss any problem put before them. Temperatures stopped rising (along with voices) during shop labor-management discussions.

As one Blaw-Knox Management Club member expressed it: "I see now that many of our shop labor problems were due to good communications fundamentals not being practiced by either side."

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Club has given good help to union officers in getting their ideas over to the employee memberships. In helping the union officers, through their own personal initiatives, lighten their leadership burdens, we have helped create a better labor-management relationship. This has smoothed our operations. We work with better-qualified union leaders, too, partly because of their participation in this Management Club course. Their solutions to problems are usually pretty sound, and they explain them well.

The same is true of our own Management Club members, whose com-

munications ability has improved by an estimated 30 to 40 per cent.

We estimate the grievances we have had to handle have markedly decreased since we brought the union leaders into our public speaking program. There are two reasons for this: both management leaders and labor leaders are getting through to each other better.

And Blaw-Knox employees are getting better all-round leadership on the job from supervisors and at union meetings from more articulate union officers.

Raymond Dessy, President, Blaw-Knox Equipment Div. Management Club



"Break it up, fellas! Break it up!"



# ACT on FACT

by James Black

"If you haven't got a case, pound the table and holler like the devil!" is a piece of advice that many a union negotiator has followed from time to time. Similarly, in a grievance hearing, if the shop steward or the aggrieved employee is behind the eight-ball on the basis of facts, the usual tactic is to charge discrimination on the part of the supervisor.

Sometimes it works, particularly if a foreman lacks the written records to make his accusations stick.

#### WHEN THE WINE IS RED

Take the affair of Charlie String-fellow (name fictitious), a machine operator at a Southwestern heavy machinery plant. Charlie was a pleasant sort of fellow and a capable employee—most of the time. But Charlie enjoyed his drink, and there were occasions when he arrived at work flying high on both wings. He did it once too often. His punishment—a three day lay-off.

As a supervisor you know that one of the fundamental rules of any company is the one that prohibits alcohol either on the inside or the outside of an employee while he is on the firm's property. You also know that proving a man drunk is not the easiest job in the world, unless his condition is extremely obvious. Even then, the sailing is not always smooth. Other workers do not like to testify against their associate. The accused himself will swear, perhaps sincerely, that on the occasion when you claimed he was tipsy he was as sober as a judge, that the odor you detected on his breath was merely a medicine he had taken as a precaution against a sore throat.

In essence, such was the story of Charlie Stringfellow, and it had some weight. For Charlie was a union steward, popular among his constituents. He claimed that the suspen1958 sion h

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sion he received for being under the influence of alcohol was unfair; that in reality it was a conspiracy among the foremen "to get him." His case came before an arbitrator. Shall we see how he made out?

# THE CASE OF CHARLIE STRINGFELLOW

To judge Charlie Stringfellow's story properly you must have the background facts.

Here is what happened:

Charlie Stringfellow reported to work on the second shift. He was in the company of two of his friends. Both later testified that they had been with him during the entire day, that he had not taken a drink, that he was in no way under the influence of alcohol.

"We had been killing time around union hall," they claimed. "Nobody drank anything."

However, a maintenance foreman, who checked Stringfellow's machine shortly after the shift started, stated that he smelled liquor on Stringfellow's breath, that Stringfellow was in an unsteady condition and appeared like a man much the worse for a few drinks.

To counter this evidence, a machine operator who worked next to the accused employee said he had seen no indication that Stringfellow had been drinking. A general foreman, however, was equally emphatic to the contrary.

"I talked to Stringfellow for about three minutes," he said. "His tongue was pretty doggoned thick. I told Stringfellow's foreman about it. I advised him to put a check on the man to see if he had been drinking."

Stringfellow's foreman moved in. Apparently he had no doubt as to the condition of the employee.

"The grievant could not walk steadily and his eyes were in a fixed stare."

Another foreman backed this story. "Yes," he said, "Stringfellow was highstepping along like a man walking in water. He was wobbly and talked abnormally."

#### WHAT WERE THE FACTS?

There you have it! Stringfellow had friends who swore he was completely sober. On the other hand, four supervisors, including Stringfellow's boss, were convinced he was not fit to do his work.

Stringfellow refused to see the company doctor. He was sent home and given a three-day suspension.

Was Stringfellow drunk? Or was he the victim of a management conspiracy?

It is apparent from the stories of the witnesses that there was a marked conflict of testimony. And, perhaps not so strangely, the contradictions appeared to break down along party lines.

Management based its case on the testimony of its supervisors. It also produced records to show that Stringfellow had been sent home on two previous occasions for drinking, that on the last occasion he had been

warned his punishment would be even more severe if he did not mend his habits.

The union argued that Stringfellow had been sober, that it was personal malice and an anti-union attitude on the part of supervision that got him into trouble. Stringfellow even testified that his foreman had refused to accept grievances from him and had threatened "to get his job."

On this point the officers of the union presented a solid front and backed the story of their colleague. They agreed that Stringfellow's boss had exhibited personal prejudice in his day-to-day relations with the employee.

Was Stringfellow drinking? There were witnesses among the employees who told the arbitrator that so far as they could see, on the day in question Stringfellow had been as clear of eye and firm of tread as an anti-saloon leaguer at a political rally.

# REASONING OF THE ARBITRATOR

It was up to the arbitrator. He had to determine who was telling the truth.

He said, "We start with the presumption that it is not only management's right but also its responsibility to check on the condition of employees under its supervision. If an employee whom management thought was intoxicated were allowed to operate a machine, that would be as much of a breach of responsibility as to permit an employee to continue working when he was sick or injured. Neither the union nor fellow employees have this responsibility, although the union has testified that it has always asked employees to take time off and not report to work when it was obvious they were under the influence of whiskey.

"The president of the union has himself testified that he has requested employees to go home when he saw signs of intoxication. He has also said that he has been called by foremen on a number of occasions when the latter considered that employees were intoxicated, but, by his own admission, he has never once agreed to send an employee home."

The arbitrator then turned his attention to Charlie Stringfellow's witnesses and to Charlie Stringfellow himself.

"Rank-and-file employees have no responsibility for the conduct of a fellow employee and seldom report one for drinking. They are usually uncertain about the facts. And they don't like to be regarded as informers. People who are charged with intoxication are notoriously unreliable as to their own condition. It is, therefore, up to management to check on an employee's sobriety, and if unconvinced of it to take him of the job."

This effectively disposed of the stories of Stringfellow, his fellow union officers and the other witnesses for the defense. The arbitrator next cons that supe

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considered the union's contention that the employee was a victim of a supervisory conspiracy.

"To place credence in this argument," he observed, "I would have to believe that the conspiracy was planned in advance. It is hardly likely. Two of the foremen in question had observed Stringfellow before his own supervisor had seen him and had reported his condition to the latter. All four foremen testified fully, positively-and withstood cross examination. None of the supervisors appeared like men who would enter a conspiracy to injure an employee on the basis of manufactured evidence. In fact, the grievant himself has stated that his relations with two of the witnesses against him were very cordial."

In conclusion, the arbitrator turned to the final piece of evidence against Stringfellow. "The clinching fact in this dispute," he remarked, "is Stringfellow's refusal to go to the company doctor for a sobriety test. He refused to do this, so he claims, because he had once received inadequate treatment after he had sustained an injury. Other union witnesses have testified against the adequacy of the doctor, but no evidence of any kind was introduced to substantiate their allegations.

"The union also took exception to the suggestion of a sobriety test for Stringfellow on the grounds that this was the first time it had ever been suggested. The union said this proved its point that there was a conspiracy against the employee.

"I disagree. Mr. Stringfellow had been sent home on two previous occasions for drinking. He had not protested these incidents. However, when faced with a three-day suspension he did protest, but he refused the opportunity his foreman gave him to clear himself by a medical examination. When he did this he assumed the burden of proving his own innocence. This he has failed to do. The presumption must be in favor of his supervisor, whose responsibility it was and in whose judgment it was that he was under the influence of intoxicants. This grievance is dismissed."

#### DRINKING HARD TO PROVE

In the situation we have just recounted, the company was fortunate. A capable arbitrator heard the case. His decision was entirely sensible and just. But, in arguments of this kind, management is not always so lucky. Many arbitration decisions, particularly when they involve dismissal, have been based on curious, even distorted, reasoning. In one instance, an arbitrator reinstated some employees in their jobs even though they were found by their foremen in a barroom, drinks in front of them. The employees swore they had been caught before they had had a chance to sip the cup that cheers. Management had failed to include in its charge the rule infraction of which they were also guilty—leaving their work without permission.

So the arbitrator ruled that the case of drinking on the job had not been proved and that, technically, the employees could not be charged with any other offense because it had not been included in the original specifications.

There is another case where an umpire returned an employee to work on the grounds that he was merely "half-drunk" and that dismissal was too severe a penalty for that offense.

These are extreme examples, admittedly. But they do go to show what you are up against in a drinking case. By the time your argument is heard by an arbitrator everybody is sober. Memories are hazy. Unless your evidence is air-tight, your action may be upset. That's why you need witnesses. And that's why your witnesses should come from the ranks of supervision. Employees cannot be counted on to back you up even if they have observed what happened. They feel no responsibility. They don't like to be "tattlers."

#### JUDGMENT ON FOREMANSHIP

What about the Stringfellow case from the point of view of foremanship? Was it well handled?

Apparently so. Stringfellow's supervisor was able to produce records that showed conclusively that the employee had been sent home twice before for coming to work under the

influence of liquor. The records also showed that Stringfellow had been warned his next offense would bring a penalty. When it happened and the employee's condition was brought to his foreman's attention by other supervisors, the foreman acted promptly and intelligently. His suggestion that Stringfellow submit to a medical examination revealed his desire to be completely fair. In fact, this act clinched his case, for the arbitrator considered it proof positive that, far from acting arbitrarily or vindictively, the foreman gave the employee every chance.

Yes, Stringfellow's foreman knew his job and did it. There is only one argument against management's action. Some would think a three-day penalty for a three-times loser on a drunk charge extremely lenient. In many plants, intoxication is cause for instant dismissal. At most plants it means a very severe penalty if the offender is in such a condition as to bring wide attention to himself. Evidently Stringfellow was in that kind of condition.

The plant rule was clear. It forbade the possession of or the consuming of alcoholic beverages on company property. It forbade an employee to be under the influence of whiskey at any time during working hours. The right of management to penalize an offender for these acts was clearly stated. Yet Stringfellow had gotten away with drunkenness twice before. It's not surprising he thou again

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Of course, on the matter of intoxication, a foreman must use good judgment. Many a man comes to work with the faint trace of alcohol on his breath. But he may be suffering from no more than a hangover. Perhaps he was at a party the night before and stayed up too late. In a half hour or so, the effect of his "night out" will have vanished.

Stringfellow was obviously not tagged for an offense like that. He was working second shift. So he must have been drinking during the day, even though he knew he had to report to work within a few hours.

The matter of drinking is a tough problem to handle. But it is a matter that can never be allowed to get out of hand. A supervisor in an eastern manufacturing plant fired a hard-to-get tool maker during the war. He said, in explaining his action, "I can't fire the sweeper for drinking while I close an eye to what my skilled employees do. Sometimes the price of discipline is to punish your best man. It shows others that plant rules are applied impartially."

In the case of Charlie Stringfellow you can only go by the record. However, judging from his past performance, the three-day penalty he received was more than moderate. At many companies behavior like his would have meant dismissal. Stringfellow, in this book, was lucky. It's surprising he even entered a grievance. Maybe the fact that he did indicates a certain laxity in discipline.

This case is based on one described in the LABOR RELATIONS REPORTER. The incident has been slightly altered to discuss the subject from the 'supervisor's point of view.

Hillbilly (showing new home to bride):

"Well, gal, how d'ya like it?"

Wife: "T'aint bad, but there's no door."

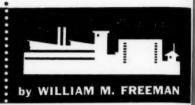
Hillbilly: "Was you fixin' on goin' some place?"

The foreman reported that the jury was unable to reach a verdict. The judge reproved the jury, saying that the case was a very clear one and one upon which an early verdict should have been reached. Then he remanded them to the jury room for further deliberations.

"And if you don't reach a verdict before evening," the judge said, "I'll bave twelve suppers sent in to you."

"May it please your honor," spoke up the foreman, "but I suggest you make it eleven suppers and a bale of hay."

# **BUSINESS NOTEBOOK**



Horror Flooded the civilized world (such as it was) when an unknown Neanderthal caveman devised the ultimate weapon—a combination of the club with bits of stone embedded in its business end. Statesmen meeting in solemn council agreed that the two-weapons-in-one concept was so frightful that it would mean the end of the world if it ever came to be used in combat. They nodded quick accord when the eldest and the wisest of them all said the weapon therefore never would be used, and perhaps it was—

#### A GOOD THING

—that it had been invented, for now there would be no war with the tribe on the next hill or with any tribe of savages anywhere.

Much the same thing has been said of every new weapon as it came along—gunpowder, the cannon, the armored vessel, the airplane, the jet bomber, the atomic bomb, the hydrogen destroyer, the intercontinental ballistic missile, and so on.

But take comfort. The Atomic Energy Commission is working on pills that would protect us all from radiation. The pills would defeat the effects of strontium 90, one of the most dangerous products of nuclear explosions. This would stave off the end of the world for a few more

years—until somebody comes up with an even newer weapon. Then there'd be danger until an answer to it was found, to be followed, of course, by still another awesome weapon.

Well, is the-

#### END OF WORLD

—almost upon us? There are two ways to look at practically everything. Consider the \$150 shoes—perfectly-matched baby alligator skins, packed in a velvet-lined wooden case and two chamois drawstring bags—offered by Field & Flint, shoe manufacturer of Brockton, Mass. And take a look at the \$200 gloves in white glacé kid, with jewels and embroidery offered by Kislav.

It might be that shoes at \$150 and

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gloves at \$200 indicate the opulence and taste for luxury that led to the downfall of Rome. Or (and this seems more likely) they could be considered a trend toward the offering, selling and use of quality merchandise instead of the downgrading that would accompany a recession.

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Listen to Richard N. Tarlow, executive vice-president of Stone-Tarlow, of which Field & Flint, maker also of the well-known line of Foot-Joy golf shoes, is a subsidiary:

"We had a good reason for offering shoes at \$150 a pair. We wanted to make and sell the best shoes that could possibly be made, and in so doing we would link our name to a quality product and to fashion. We introduce hundreds of styles every year, and the big problem is that men are slow to accept shoes from a fashion angle. We are trying to create a fashion concept."

#### INCENTIVE

And listen to Norman Blum, head of the advertising agency of that name, who represents Buscarlet Glove Company, maker of the Kislav glove:

"There is no question but that the consumer who is in a position to purchase quality is being completely forgotten by the retailers of our country. This situation, if permitted to expand, will gradually eliminate the structure that has been the basis of maintaining, at the highest stand-

ard in the world, the retail business in the United States.

"Without quality and luxury there will be no incentive to create the fashions that are essential in continuing consumer interest. Letters are being received from store presidents who are beginning to realize the necessity of thinking seriously and, before it is too late, making plans to change the present-day policy of 'thinking cheap and selling cheap.'"

#### THE SMALL CITIES

Now listen to Maurice Olen, who has built a chain of general retail stores from two to more than 100 in just 10 years. Mr. Olen hit on the idea of building his stores, handling a general line of merchandise in the smaller towns and cities that the big retailers usually avoid.

Mr. Olen attracts and retains executives of top quality. His idea is that such a man, commanding a good salary, can solve a problem for many stores as easily as for one. Further, he uses a scientific approach in managing retail stores. He and his associates, joined in what the chain calls a "management group," are using inventory and quality control and concentrating on price-ranges that will attract the largest number of customers.

The Olen chain is busy gathering statistical material on retailing patterns in smaller cities. Some of the results are—

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#### **EYE-OPENERS**

—for the big merchandisers who had thought they knew all there was to know. In the first issue of a new publication, "The Olen Report," Mr. Olen analyzes purchasing patterns in eight southern states. He finds that the average woman buys a minimum of seven dresses a year and wants more of a city-style high-fashion approach.

Small-city women are more sophisticated than the merchants had thought, and they want merchandise never seen before in their areas.

In no instance does price rate as a No. 1 factor in any apparel purchase. Fashion and styling come first.

They prefer to cut expenditures for clothing and food, before recreation and luxuries, when economy forces reduced purchasing.

New studies are in progress on taste and price levels, along with research on where the customer wants to make purchases. Mr. Olen's approach to his work is by no means unique. American management generally is taking increasing interest in—

#### WHAT THE PUBLIC THINKS

—and doing something about it. John W. Hill, chairman of Hill & Knowlton, Inc., international public relations concern, reports that nearly 5,000 American companies have public relations departments or counsel, as compared with hardly 50 such companies 30 years ago, when he began in the business.

He writes in "Corporate Public Relations—Arm of Management," just published at \$3.50 by Harper & Brothers, that this rapid rise of the relatively new profession of public relations is the product of increasing respect by management for public opinion and its recognition of the importance of good will in the success of corporate enterprise. The result is that many corporations that once cared little for public opinion now operate with their inner workings fully exposed.

#### HAVE A MINT

The American way of doing business is spreading to other countries, and marketers elsewhere are taking the leadership away in many instances. Have you seen a candy mint called Pez—short for pfeffermintz, the German word for peppermint?

Edward Haas, president of Pez-Haas, the manufacturer (a concern that is to Europe what General Foods is to this country), has adopted American merchandising and advertising methods, along with innovations in counter and pocket dispensers, to spur quick acceptance for the product.

Mr. Haas and his associates, some in Europe and some in this country, not only worked out the holders that keep the product clean, but devised special types that look like an Easter bunny, Santa Claus, a space man or whatever a practical man with imagination might dream up.

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good ideas are automatically American in origin.

#### SETBACKS

Sometimes we take a step backward without the intervention of a merchandiser from abroad. One such was the decision by the Whitehall Pharmacal Company to withdraw the advertising of its Kolynos toothpaste from the Grey Advertising Agency because its president, Arthur Fatt, said on a television show that he had used a competitive brand that morning.

The sponsor no doubt could find an agency that pledged 100 per cent use of the product—but would that agency also do a job as good as one that sampled the competition to know what it was fighting and how to go about it?

Advertising is a great force in

widening distribution, and using the miracles of mass production and marketing to cut costs so that everyone can share what we can produce. Such a client, penalizing an agency for a trivial reason that isn't a reason at all, can only slow our progress.

It is a sign of-

#### GOOD HEALTH

—that most American corporations and American businessmen generally have a forward-looking view. It may just be possible that the succession of "ultimate" weapons may not destroy the world, after all. Certainly if men and women of good will can work to build private enterprise, there is reason to believe we can shape the kind of world that will advance toward peace—if only because it must.



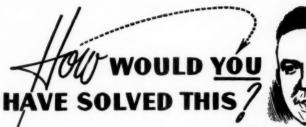
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by Lloyd P. Brenberger

NOTE: To be considered for \$10 cash awards and certificates of special citation, all solutions to the problem must be postmarked no later than April 10, 1958. Address your solutions of no longer than 500 words to Editor, MANAGE, 321 West First Street, Dayton 2, Ohio.

PROBLEM No. 25

#### DON'T DO AS I DO . . . .

Bill, one of the screw-machine operators of machining 2, hailed his general foreman as he was walking through the department.

"Say, Mac . . . I've got something eating me. This morning, Foreman Joe called me in, and proceeded to blast me about being late two mornings in a row. I just live down the street from him—and it's not that I spy on him, but I do notice what he's doin' every now and then. A coupla' days when he called in sick he was out paintin' the window sash on his house. Then, last Christmas, my wife said she saw him doing some shopping about a week before the holidays. My little girl is diabetic, and sometimes it's pretty tough to get things squared away in the morning. I understand about the importance of being here on time, and all that stuff, and I tried to explain to Joe—but, well, he said if I was late again he'd have to give me three days off!"

If you were foreman Joe's boss, how would you answer Bill?

(Remember the deadline: April 10, 1958)

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## THIS WAS SUPERVISORY PROBLEM NO. 22

Bill Doe walked into his office with a puzzled look on his face. His boss noticed his expression and said, "What's troubling you, Bill, something wrong on the iob?"

"No, not exactly," replied Bill. "It's just that I have just had the old switcheroo pulled on me. You know the new man who was transferred into the department-well, his production has been double the output of the rest of the men. He just came up and told me that since his output was double that of anyone else on the group, he should be getting double pay. Ridiculous as it seems, he was honestly sincere. And even more ridiculous I have to admit I couldn't give him a logical or reasonable answer! Maybe we should remove the maximum that can be earned under our incentive system. But that doesn't give him an answer now, does it?" How would you have answered this one?

#### SHAKE HIS HAND

By Albert Bonosky, Westinghouse Electric Company, General Purpose Control Div., Buffalo, New York.

After recovering from the shock, I would have certainly shook this new employee's hand and really told him how pleased I was that he had performed such a feat.

After some careful thought the answer appears obvious. Either this man has come up with a terrific new method or he has shown me how lax I have been in permitting my men to get away with doing a half-day's work.

If it is the first reason, then I would show this new employee how to turn in a suggestion. With double production this suggestion would really pay off.

If, after investigation, I find that I have been lax in my duty, I would explain to this employee honestly what the situation

#### THE WINNERS

Here are the best solutions to the supervisory problem No. 22. The winners have received checks for \$10 each and a handsome two-color Merit Award certificate suitable for framing.

is. Then I would take the proper steps either to have a new time study or devise a new method to clean up this situation.

As for this new man, I would thank my lucky stars that he is in my department and if he continues to show this kind of interest we have the makings of an excellent supervisor.

#### WIN THE RACE?

By C. F. Thomallo, Hughes Aircraft Company, Tucson, Arizona.

Though there are several aspects to the question of the new man, the answer remains but one—and this answer can be expressed in several ways. Actually, the answer is disclosed to us in everything we see, whether it be in industry or in the stars we see at night. What would happen to a factory if each man raced to outdo the other man? What would happen to our earth if the capacity of its sun spent its energy in a moment's time to outdo the other suns of the universe?

Which boat would win the race if oarsmen of one boat pulled at the capacity of their strength while each member of a second boat pulled in unison, modifying the output of his energy to meet the need as it arose? . . . Does a swimmer racing on the straightaway let his stronger arm outdo the other one? If this were so, would he not swim a crooked course?

Remove the transformer from the electric line and the power will run rampant, destroying those who'd harnessed it. If

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the new man be allowed to produce his maximum, and Bill be allowed to encourage him to continue so, will manpower not confuse and dissipate itself?

Because of this propensity in man to outshine and outdo his fellowworker in the plant, certain standards of manpower measurement have been generally adopted by industry. These standards set a minimum and maximum production requirement for the workmen. Workers are required to remain within the limits of these standards.

For those who look for incentive, there are the supervisory positions to which quality of workmanship paves the way.

The answer then, to the new man's question, is balance of the whole—standards, harmony at work, schedule—call it what you will, the meaning remains the same.

#### **EXAMINE TIME STUDY**

By Preston Allen, Mfg. Engineer, Avco Manufacturing Corporation, Nashville, Tennessee.

It is necessary to first make certain assumptions in this problem:

- An incentive plan is in effect whereby an individual employee may produce an unlimited number of parts, but is governed by a ceiling in rate of pay.
- 2. The earnings are computed on an individual basis and no other employees share in the production, which is above the ceiling rate.

The first step would be for Bill to

very closely examine, with the industrial engineer, the time-study sheets involved in this operation, and to make sure that the job is performed in accordance with the study. If all is in order and the engineer making the study was competent, then we must acknowledge that the new man is an exceptional operator.

Bill is evidently governed by a union contract and/or company policy which will not permit him to compensate the employee for his extra effort. If this be the case, then Bill should make every effort to reclassify, promote or transfer the employee to a job where the company and employee could benefit from such outstanding efficiency.

It is also possible that this employee is highly efficient in this particular operation and not too efficient in others. If this be the case, then Bill has a much more complex problem. Bill can only try to convince his management that the maximum rate is unfair to the exceptional employee and, further, that it would tend to defeat the overall incentive program by causing employees to set their pare just under the maximum.

If management is in a position to consider Bill's recommendation, then Bill should explain to the employee that consideration is being given to his problem and any further information will be passed along to him.

If Bill cannot remove the maximum, or transfer the employee, then he can only explain very tactfully the position of management in the matter.

Professor Brenberger, who writes the problem for "How Would You Have Solved This?" and judges the entries of contestants, is head of the Department of Industrial Engineering of the University of Dayton. He is a graduate of the General Motors Institute and has had wide experience in industrial relations and engineering. In recent years he served as a project supervisor for a secret Air Force and Navy research program. He spends part of his free time conducting a specialized management development training course, which he organized for Air Force reserve officers.

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past two years. More significant, 66% of first-level supervisors had attended. When asked what they would be interested in learning more about, four subjects were rated top by the respondents. They are: Practical Human Relations, Effective Speaking, Creative Thinking, Supervisor Responsibilities and Management & Control.

The need for this information has been apparent for some time. Important decisions and planning, especially at the national level, have been and continue to be made, based upon assumptions about such factors as members' jobs and educational background. As the Association continues to grow, it becomes increasingly important to have accurate information regarding these factors. Continuous analysis of the membership, furthermore, will enable the NMA to spot trends in the composition of its membership which will, of course, weigh heavily in its long-range planning.



## NMA CLUB ANNIVERSARIES

MARCH: 10 years—Guyan Eagle Supervisory Club, Amberstdale, W. Va.; Island Creek Management Club—Wyoming Div., Marianne, W. Va. 5 years—Aerodex Management Club, Miami, Fla.; Art Metal Foreman's Club, Jamestown, N. Y.; Oliver Management Club of York, Pa.

APRIL: 15 years—Foremen's Club of Greater Cincinnati; Clark Transmission Division Management Club, Jackson, Mich.; Ilco-Lockwood Management Club, Fitchburg, Mass.; Rocky Mountain Management Club, Denver, Colo. 10 years—Acme Industrial Management Club, Chicago; Ryerson Management Club of Chicago; Sherwin-Williams Management Club of Chicago; Los Angeles TWA Management Club. 5 years—Eaton Valve Division Management Club, Battle Creek; Ethyl Management Club, Houston; Hussmann Aircraft Management Club, St. Louis.

Report to the Membership Marion Kershner In This Issue 3 **Washington Report** Stewart French **Every Employee Influences Public Relations** Alfred M. Cooper The Supervisor's Role in **Need-Satisfaction** Dr. R. J. Agnew 16 Team Management Prof. Rensis Likert The Entrepreneurial Ego 21 Spencer Klaw The Uses of Experience 26 Royal Bank of Canada Liberal Arts Education & Technology 34 John T. Rettaliata Fair Shares Louis Ruthenburg . . . On Training Supervision Gen. Hermon F. Safford Schooling the Soviet Scientist **Burton Rubin** The Problem Drinker Time Magazine Prison Sports Car 46 Steelways Now If I Were the Boss . . . 47 Vision, Inc. **Progress and Responsibility** 50 Arvin Industries Management Team Award Blaw-Knox Equipment Div. Act on Fact 54 James Black **Business Notebook** 60 William M. Freeman How Would You Have Solved This? Lloyd Brenberger

